

11-3-2011

Parkwest Homes, LLC v. Barnson Clerk's Record v. 2 Dckt. 38919

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2 4

(VOLUME 2)

IN THE
SUPREME COURT
OF THE
STATE OF IDAHO

LAW CLERK

**PARKWEST HOMES, LLC, an
Idaho limited liability company,**

Plaintiff-Appellant,

-vs-

**JULIE G. BARNSON, an unmarried
woman; and MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC., a
Delaware corporation, as nominee for
HOMECOMINGS FINANCIAL, LLC., aka
HOMECOMINGS FINANCIAL
NETWORK, INC.,**

Defendants,

And

**RESIDENTIAL FUNDING REAL ESTATE
HOLDINGS, LLC., a Delaware limited
Liability company,**

Intervenor-Respondent.

**Appealed from the District of the Third Judicial District
for the State of Idaho, in and for Canyon County**

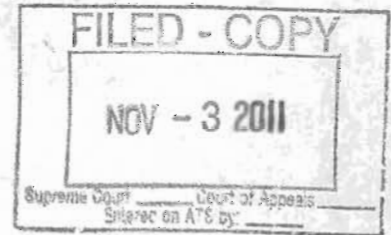
Honorable BRADLY S. FORD, District Judge

**Robert B. Burns
MOFFATT THOMAS BARRETT ROCK
& FIELDS, CHTD.**

Attorney for Appellant

**Stephen C. Hardesty, Ryan T. McFarland and
Jake D. McGrady
HAWLEY TROXELL ENNIS & HAWLEY LLP.**

Attorneys for Respondent



38919

PARKWEST HOMES, LLC., an Idaho
limited liability company,

-VS-

Defendants,

And

Intervenor-Respondent.

Supreme Court No. 38919-2011

HONORABLE BRADLY S. FORD, Presiding

Attorney for Appellant

Attorneys for Respondent

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ORIGINAL

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Email: shardesty@hawleytroxell.com
rmcfarland@hawleytroxell.com

FILED
A.M. *11/12* P.M.
NOV 12 2010
CANYON COUNTY CLERK
D. BUTLER, DEPUTY

Attorneys for Defendant Mortgage Electronic Registration Systems, Inc, as
nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial
Network, Inc.)

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF CANYON

PARKWEST HOMES LLC, an Idaho limited
liability company,)

Plaintiff,)

vs.)

JULIE G. BARNSON, an unmarried woman;)
MORTGAGE ELECTRONIC)
REGISTRATION SYSTEMS, INC., a)
Delaware corporation, as nominee for)
Homecomings Financial, LLC (f/k/a)
Homecomings Financial Network, Inc.), a)
Delaware limited liability company; and)
DOES 1-10,)

Defendants.)

and)

RESIDENTIAL FUNDING REAL ESTATE)
HOLDINGS, LLC, a Delaware limited)
liability company,)

Defendant/Counterclaimant.)

Case No. CV 07-8274

AFFIDAVIT OF RYAN T.
MCFARLAND IN SUPPORT OF
MOTION TO DISMISS MERS

AFFIDAVIT OF RYAN T. MCFARLAND IN SUPPORT OF MOTION TO
DISMISS MERS - 1

Ryan T. McFarland, being first duly sworn upon oath, deposes and says:

1. I am counsel for Defendant Mortgage Electronic Registration Systems, Inc, as nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.) ("MERS") in the foregoing action and make this affidavit on my own personal knowledge.

2. Attached hereto as Exhibit A is a true and correct copy of a Deed of Trust (the "Deed of Trust") executed by Defendant Julie G. Barnson ("Barnson") and recorded against the property at issue in this case (the "Property") on November 14, 2006, as Instrument No. 200690998, official records of Canyon County, Idaho.

3. Attached hereto as Exhibit B is a true and correct copy of the Appointment Of Successor Trustee, by which First American Title Insurance Company ("First American") became the Trustee of the Deed of Trust, recorded June 28, 2007, as Instrument No. 2007044840, Official Records of Canyon County, Idaho.

4. Attached hereto as Exhibit C is a true and correct copy of the Affidavit of Mailing regarding the Notice of Trustee's Sale of the Property under the Deed of Trust, recorded June 15, 2009, as Instrument No. 2009029759, Official Records of Canyon County, Idaho.

5. Attached hereto as Exhibit D is a true and correct copy of the Trustee's Deed, by which First American conveyed the Property to Residential, recorded July 20, 2009, as Instrument No. 2009036841, Official Records of Canyon County, Idaho.

6. Further your affiant sayeth naught.

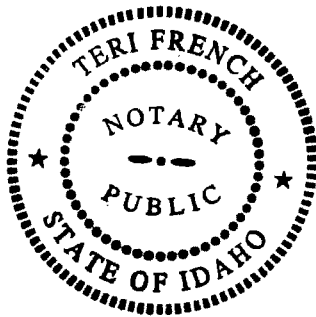


Ryan T. McFarland

STATE OF IDAHO)
) ss.
County of Ada)

I, Teri French, a Notary Public, do hereby certify that on this 10th day of November, 2010, personally appeared before me Ryan T. McFarland, who, being by me first duly sworn, declared that he is an attorney of record for Defendant Mortgage Electronic Registration Systems, Inc, as nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.) in the foregoing action, that he signed the foregoing document as an attorney for Defendant Mortgage Electronic Registration Systems, Inc, as nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.), and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Teri French

Notary Public for Idaho
Residing at Boise, Idaho
My commission expires June 27, 2014

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 10th day of November, 2010, I caused to be served a true copy of the foregoing AFFIDAVIT OF RYAN T. MCFARLAND IN SUPPORT OF MOTION TO DISMISS MERS by the method indicated below, and addressed to each of the following:

Robert B. Burns
MOFFATT, THOMAS, BARRETT, ROCK
& FIELDS, CHARTERED
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701
[Attorneys for Plaintiff]

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ E-mail
☐ Telecopy

David E. Wishney
Attorney at Law
300 W. Myrtle Street, Suite 200
P.O. Box 837
Boise, ID 83701-0837
[Attorney for Defendant Julie G. Barnson]

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ E-mail
☐ Telecopy



Ryan T. McFarland

23

200690398

RECORDED

NOV 14 PM 4 23

CANCELLED BY CHAN

TRANSACTION TITLE

REQUEST TYPE MTA FEE 109.00

Return To: Homecomings Financial
One Meridian Crossing, Ste. 100
Minneapolis MN 55423
Loan Number: 047-147610-1

1st

Prepared By: Homecomings Financial
1687 114th Ave. SE, Suite 100
Bellevue, WA 98004

111 22 16

111 00051560 CGC

[Space Above This Line For Recording Data]

DEED OF TRUST

MIN 100062604714761014

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated NOVEMBER 10TH, 2006 together with all Riders to this document.

(B) "Borrower" is JULIE G. BARNSON, AN UNMARRIED WOMAN

Borrower is the trustor under this Security Instrument.

(C) "Lender" is HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

Lender is a LIMITED LIABILITY COMPANY organized and existing under the laws of DELAWARE

IDAHO-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT WITH MERS
MFID7770 (09/2006) / 047-147610-1

Form 3013 1/01

VMP -6A(1D) (0509)

Page 1 of 15

Initials: 

VMP Mortgage Solutions, Inc.



EXHIBIT A

Lender's address is 1687 114TH AVE., SE, SUITE 100
BELLEVUE, WA 98004
(D) "Trustee" is TRANSNATION TITLE

(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel: (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated NOVEMBER 10TH, 2006

The Note states that Borrower owes Lender THREE HUNDRED THIRTY SEVEN THOUSAND SIX HUNDRED AND NO/100 Dollars

(U.S. \$ 337,600.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than DECEMBER 1ST, 2036

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input checked="" type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the COUNTY [Type of Recording Jurisdiction] of CANYON [Name of Recording Jurisdiction]:

LOT 8 IN BLOCK 1 OF RIVERBEND SUBDIVISION, CANYON COUNTY, IDAHO,
ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK 34 OF PLATS, AT
PAGE 2, RECORDS OF SAID COUNTY.

Parcel ID Number: 6R074790010040

28123 SILO WAY

WILDER

("Property Address"):

which currently has the address of

[Street]

[City], Idaho 83676 [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclosure and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

MFID7770 (09/2006) / 047-147610-1

VAMP 6A(1D) 105091

Page 3 of 15

Initiate: 

Form 3013 1/01

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. **Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to

be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. **Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. **Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

18. **Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. **Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. **Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA

requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold, and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law.

24. Substitute Trustee. Lender may, for any reason or cause, from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. Area and Location of Property. Either the Property is not more than 40 acres in area or the Property is located within an incorporated city or village.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Julie G. Barnson (Seal)
-Borrower
JULIE G. BARNSON

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

STATE OF IDAHO,

ADA

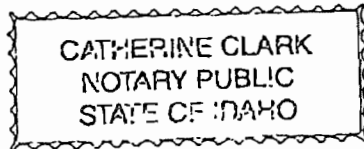
County ss:

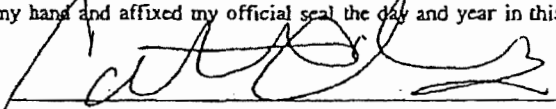
On this 13 day of November
Catherine Clark
a Notary Public in and for said county and state, personally appeared
JULIE G. BARNSON, ~~AN UNMARRIED WOMAN~~

2006, before me.

known or proved to me to be the person(s) who executed the foregoing instrument, and acknowledged to me that he/she/they executed the same.

In witness whereof I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.




Notary Public residing at:

Commission Expires 10-5-07
Residing in Eagle, Idaho

ADJUSTABLE RATE RIDER

Payment Option

THIS ADJUSTABLE RATE RIDER is made this 10TH day of NOVEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

("Lender") of the same date and covering the property described in the Security Instrument and located at:

28123 SILO WAY
WILDER, ID 83676

[Property Address]

THE NOTE CONTAINS PROVISIONS THAT WILL CHANGE THE INTEREST RATE AND THE MONTHLY PAYMENT. THERE MAY BE A LIMIT ON THE AMOUNT THAT THE MONTHLY PAYMENT CAN INCREASE OR DECREASE. THE PRINCIPAL AMOUNT TO REPAY COULD BE GREATER THAN THE AMOUNT ORIGINALLY BORROWED, BUT NOT MORE THAN THE LIMIT STATED IN THE NOTE.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

Lender or anyone who takes the Note by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for changes in the interest rate and the monthly payments, as follows:

2. INTEREST

(A) Interest Rate

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will initially pay interest at a yearly rate of 1.0000 %. The interest rate I will pay may change.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 7(B) of the Note.

(B) Interest Rate Change Dates

The interest rate I will pay may change on the first day of JANUARY, 2007, and on that day every month thereafter. Each date on which my interest rate could change is

PAYMENT OPTION MULTISTATE ADJUSTABLE RATE RIDER 10/05

Page 1 of 6

7754105 (0402).02

MFCD8262 (08/2008) / 047-147610-1

VMP Mortgage Solutions, Inc.

Initials: 

called an "Interest Rate Change Date." The new rate of interest will become effective on each Interest Rate Change Date. Although the interest rate may change monthly, my monthly payment will be recalculated in accordance with Section 3.

(C) Interest Rate Limit

My interest rate will never be greater than 9.9500 %.

(D) Index

Beginning with the first Interest Rate Change Date, my adjustable interest rate will be based on an Index. The "Index" is the "Twelve-Month Average" of the annual yields on actively traded United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in the Federal Reserve Statistical Release entitled "Selected Interest Rates (h.15)" (the "Monthly Yields"). The Twelve Month Average is determined by adding together the Monthly Yields for the most recently available twelve months and dividing by 12. The most recent Index figure available as of the date 15 days before each Interest Rate Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(E) Calculation of Interest Rate Changes

Before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by adding THREE AND ONE FOURTH percentage point(s) (3.2500 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limit stated in Section 2(C) above, the result of this addition will be my new interest rate until the next Interest Rate Change Date.

3. PAYMENTS

(A) Time and Place of Payments

I will make a payment every month.

I will make my monthly payments on the first day of each month beginning on JANUARY 1ST, 2007 . I will make these payments every month until I have paid all the Principal and interest and any other charges that I may owe under the Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on DECEMBER 1ST, 2036 , I still owe amounts under the Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

Initials: 

I will make my monthly payments at 1687 114TH AVE., SE, SUITE 100,
BELLEVUE, WA 98004

or at a different place if required by the Note Holder.

(B) Minimum Payment; Amount of My Initial Monthly Payments

My "Minimum Payment" is the minimum amount the Note Holder will accept for my monthly payment, which the Note Holder will determine in accordance with this Section 3(B), or Section 3(D), 3(F) or 3(G), below, as applicable.

Each of my initial Minimum Payments will be in the amount of U.S. \$ 1,085.86 , until a new Minimum Payment is required as provided below.

(C) Payment Change Dates

My Minimum Payment may change as required by Section 3(D) below beginning on the first day of JANUARY, 2008 , and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My Minimum Payment also will change at any time Section 3(F) or 3(G) below requires me to pay a different amount.

I will pay at least the amount of my new Minimum Payment each month beginning on each Payment Change Date or as provided in Section 3(F) or 3(G) below.

(D) Calculation of Monthly Payment Changes

Before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Payment Change Date in full on the Maturity Date in substantially equal installments at the interest rate effective during the month preceding the Payment Change Date. The result of this calculation is called the "Full Payment."

Unless Section 3(F) or 3(G) below requires me to pay a different amount, my new Minimum Payment that will be effective on a Payment Change Date will be in the amount of the Full Payment, except that my new Minimum Payment will be limited to an amount that will not be more than 7.5% greater than the amount of my last Minimum Payment due before the Payment Change Date (this limitation is called the "Payment Change Cap"). The Payment Change Cap applies only to the Principal and interest payment and does not apply to any escrow payments the Note Holder may require under the Security Instrument.

(E) Additions to My Unpaid Principal

My monthly payment could be less than or greater than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid Principal I owe at the monthly payment date in full on the Maturity Date in substantially equal payments. For each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid Principal. The Note Holder also will add interest on the amount of this difference to my unpaid Principal each month. The interest rate on the interest added to Principal will be the rate required by Section 2 above. For each month that my monthly payment is greater than the interest portion, the Note Holder will apply the payment as provided in Section 3(A).

Initials: 

(F) Limit on My Unpaid Principal; Increased Monthly Payment

My unpaid Principal may never exceed a maximum amount equal to 115% of the Principal amount I originally borrowed. Because of my paying only limited monthly payments, the addition of unpaid interest to my unpaid Principal under Section 3(E) above could cause my unpaid Principal to exceed that maximum amount when interest rates increase. In that event, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment in an amount that would be sufficient to repay my then unpaid Principal in full on the Maturity Date in substantially equal installments at the interest rate effective during the preceding month, regardless of the Payment Change Cap. This amount will be my new Minimum Payment. This means that my Minimum Payment may change more frequently than annually. This new Minimum Payment amount will remain in effect until at least the next regular Payment Change Date, unless another recalculation of my Minimum Payment is required by this Section prior to such Payment Change Date.

(G) Required Full Payment

Regardless of the Payment Change Cap, on the TENTH Payment Change Date and on each succeeding fifth Payment Change Date thereafter, I will begin paying the Full Payment as my Minimum Payment until my monthly payment changes again. I also will begin paying at least the Full Payment as my Minimum Payment on the final Payment Change Date.

(H) Payment Options

After the first Interest Rate Change Date, each month the Note Holder may provide me with up to three additional payment options (in addition to the Minimum Payment) that are greater than the Minimum Payment, which are called "Payment Options." I may be given the following Payment Options:

- (i) **Interest Only Payment:** the amount that would pay the interest portion of the monthly payment at the current interest rate. The Principal balance will not be decreased by this Payment Option.
- (ii) **Fully Amortized Payment:** the amount necessary to pay the loan off (including all Principal and interest) at the Maturity Date in substantially equal installments. This Payment Option is calculated on the assumption that the current interest rate will remain in effect until the loan is paid in full, however, the current interest rate may in fact change every month.
- (iii) **15 Year Amortized Payment:** the amount necessary to pay the loan off (including all Principal and interest) within a fifteen (15) year period from the first payment due date in substantially equal installments. This Payment Option is calculated on the assumption that the current rate will remain in effect until the loan is paid in full, however, the current interest rate may in fact change every month.

Payment Options will only be available if they are greater than the Minimum Payment.

(I) Failure to Make Adjustments

If for any reason the Note Holder fails to make an adjustment to the interest rate or payment amount as described herein, regardless of any notice requirement, I agree the Note Holder may, upon discovery of such failure, then make the adjustment as if they had been made on time. I also agree not to hold the Note Holder responsible for any damages to me

Initials: 

that may result from the Note Holder's failure to make the adjustment and to let the Note Holder, at its option, apply any excess monies that I may have paid to partial Prepayment of unpaid Principal.

4. NOTICE OF CHANGES

The Note Holder will deliver or mail to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER


Uniform Covenant 18 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

Initials: 

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

Julie G. Barnson (Seal)
-Borrower
JULIE G. BARNSON

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

SECOND HOME RIDER

THIS SECOND HOME RIDER is made this 10TH day of NOVEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower" whether there are one or more persons undersigned) to secure Borrower's Note to
HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

(the "Lender") of the same date and covering the Property described in the Security Instrument (the "Property"), which is located at:
28123 SILO WAY
WILDER, ID 83676

[Property Address]

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Sections 6 and 8 of the Security Instrument are deleted and are replaced by the following:

6. **Occupancy.** Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's second home.

MULTISTATE SECOND HOME RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT MFCDB056 - (08/2006) / 047-147610-1

Form 3890 1/01

Page 1 of 2

Initials: 

VMP-365R (0411)

VMP Mortgage Solutions, Inc. (800)521-7291



BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Second Home Rider.

Julie G. Barnson (Seal)
JULIE G. BARNSON -Borrower

____ (Seal)
____ -Borrower

____ (Seal)
____ -Borrower

____ (Seal)
____ -Borrower

____ (Seal)
____ -Borrower

____ (Seal)
____ -Borrower

____ (Seal)
____ -Borrower

____ (Seal)
____ -Borrower

VMP-365R (0411)

MFC08056 - 108/20061 / 047-147810-1

Page 2 of 2

Form 3890 1/01

2007044840

RECORDED

2007 JUN 28 PM 1 56

WILLIAM H. HURST
CANYON CNTY RECORDER

BY *WJH*

PIONEER TITLE COMPANY

REQUEST
TYPE *IN* *MO* *FE* *3*

When Recorded Mail to:

EXECUTIVE TRUSTEE SERVICES, LLC.
15455 SAN FERNANDO MISSION BLVD
SUITE #208
MISSION HILLS, CA 91345

298125/100703670
T.S. No. HC-105738-C
Loan No. 7471476101

Space Above This Line For Recorder's Use

APPOINTMENT OF SUCCESSOR TRUSTEE

KNOW ALL MEN BY THESE PRESENTS:

Are the grantor(s) JULIE G. BARNSON, AN UNMARRIED WOMAN and TRANSNATION TITLE is the trustee, and "MERS" MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., SOLELY AS NOMINEE FOR LENDER HOMECOMINGS FINANCIAL, LLC (FKA HOMECOMINGS FINANCIAL NETWORK, INC.) is the beneficiary under that certain Deed of Trust dated 11/10/2006, and recorded on 11/14/2006, Book , Page , as Instrument No. 200690998, and re-recorded , records of Canyon County, Idaho.

The undersigned, who is the present beneficiary under said Deed of Trust desires to appoint a new trustee in the place and instead of the original trustee named above;

NOW, THEREFORE, in view of the premises, the undersigned hereby appoints **FIRST AMERICAN TITLE INSURANCE COMPANY** c/o Executive Trustee Services, Inc. 15455 San Fernando Mission Blvd., Suite 208 Mission Hills, Ca 91345, as successor trustee under said Deed of Trust, to have all the powers of said original trustee, effective forthwith.

IN WITNESS WHEREOF, the undersigned beneficiary has hereunto set his hand; if the undersigned is a corporation, it has caused its corporate name to be signed and affixed hereunto by its duly authorized officer(s).

Dated: June 26, 2007

MORTGAGE ELECTRONIC REGISTRATION SYSTEM, INC.

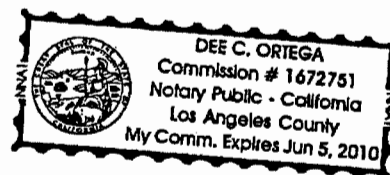
E. Yeran
ELIZABETH YERANOSIAN, ASSISTANT SECRETARY

State of California
County of Los Angeles }SS

On 6/26/2007 before me, the undersigned, Dee C. Ortega a Notary Public in and for said State, personally appeared Elizabeth Yeranosian personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed and sworn to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) acted, executed the instrument.
WITNESS my hand and official seal.

Signature

Dee C. Ortega
Dee C. Ortega



2009029759

RECORDED

2009 JUN 15 PM 1 19

WILLIAM H. HURST
CANYON CITY RECORDER
BY *William H. Hurst*

PIONEER TITLE COMPANY

REQUEST
TYPED IN SOURCE FILE *110*

RECORDING REQUESTED BY:

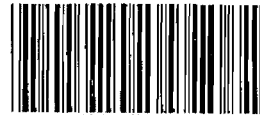
WHEN RECORDED MAIL TO:
Executive Trustee Services, LLC
2255 North Ontario Street, Suite 400
Burbank, California 91504-3120

TS Number: ID-167373-C
Loan Number: 7471476101
A.P.N.: R37214103 0

200808945

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Affidavits



Walz Affidavit #: 475313

AFFIDAVIT OF MAILING

Executive Trustee Services

Date: 03/06/2009

Ref. No.: 7471476101

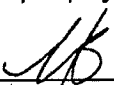
MailbatchID: 238386

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)

The declarant, whose signature appears below, states that he is over the age of eighteen (18) years; is employed in Riverside County, California; acting on behalf of Executive Trustee Services; is not a party to the within action; and that on March 06, 2009, he personally served the Notice, of which the annexed is a true copy, by depositing in the United States Mail a copy of such Notice in a sealed envelope, sent First Class, with postage prepaid, such envelope being addressed to the person(s) named at the addresses below.

I declare under penalty of perjury that the foregoing is true and correct.

X


Affiant Valdemar Botello

2216328676
TSN #: ID-167373-C
JULIE G. BARNSON
1715 E LAKE SAMMAMISH PKWY NE
SAMMAMISH, WA 98074-4509

2216328679
TSN #: ID-167373-C
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.
PO BOX 507
HERNDON, VA 20172-0507

2216328682
TSN #: ID-167373-C
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC. C/O
HOMECOMINGS FINANCIAL, LLC
(F/K/A HOMECOMINGS FIN
1687 114TH AVE SE STE 100
BELLEVUE, WA 98004-6999

2216328677
TSN #: ID-167373-C
JULIE G. BARNSON
28123 SILO WAY
WILDER, ID 83676

2216328680
TSN #: ID-167373-C
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.
3300 SW 34TH AVE STE 101
OCALA, FL 34474-4438

2216328683
TSN #: ID-167373-C
Occupants/Tenants
28123 SILO WAY
WILDER, ID 83676

2216328678
TSN #: ID-167373-C
JULIE G. BARNSON
8142 S RAFAEL WAY
BOISE, ID 83709-7386

2216328681
TSN #: ID-167373-C
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.

C/O HOMECOMINGS FINANCIAL ONE
MERIDIAN CROSSING, STE. 100
MINNEAPOLIS, MN 55423

2216328684
TSN #: ID-167373-C
PARK WEST HOMES

C/O DAVID E. WISHNEY 300 WEST
MYRTLE, SUITE 200
BOISE, ID 83701

AFFIDAVIT OF MAILING**Executive Trustee Services**

Date: 03/06/2009

Ref. No.: 7471476101

MailbatchID: 238386

2216328685
TSN #: ID-167373-C
PARK WEST HOMES

C/O DAVID E. WISHNEY POST OFFICE
BOX 837
BOISE, ID 83701

2216328686
TSN #: ID-167373-C
PARK WEST HOMES C/O ROBERT B.
BURNS MOFFATT, THOMAS,
BARRETT ROCK & FIELDS
CHARTERED

101 S. CAPITOL BLVD., 10TH FLOOR
BOISE, ID 83701

2216328687
TSN #: ID-167373-C
PARK WEST HOMES C/O ROBERT B.
BURNS MOFFATT, THOMAS,
BARRETT ROCK & FIELDS
CHARTERED

POST OFFICE BOX 829
BOISE, ID 83701

2216328688
TSN #: ID-167373-C
PARKWEST HOMES, LLC

C/O DAVID ZAWADZKI 8773 QUAIL
RIDGE DRIVE
NAMPA, ID 83686

2216328689
TSN #: ID-167373-C
RIVERBEND ESTATES
HOMEOWNERS ASSOCIATION, INC.
PO BOX 573
RIGBY, ID 83442-0573

2216328690
TSN #: ID-167373-C
RIVERBEND ESTATES
HOMEOWNERS ASSOCIATION, INC.

C/O JIM BERNARD 3894 E 200 N
RIGBY, ID 83442

2216328691
TSN #: ID-167373-C
RIVERBEND ESTATES
HOMEOWNERS ASSOCIATION, INC.

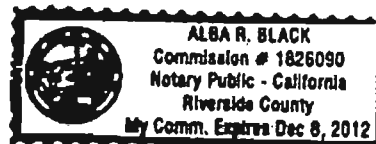
C/O MILES MINSON ROUTE 1, BOX
603
VICTOR, ID 83455

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)

Subscribed and sworn to (or affirmed) before me on this 9th day of June (month),
2009 (year), by Valdemar Botello, proved to me on the basis of satisfactory evidence to be
the person who appeared before me.

(Signature of Notary)

(Seal of Notary)





Walz Affidavit #: 475516

AFFIDAVIT OF MAILING

Executive Trustee Services

Date: 03/06/2009

Ref. No.: 7471476101

MailbatchID: 238398

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)

The declarant, whose signature appears below, states that he is over the age of eighteen (18) years; is employed in Riverside County, California; acting on behalf of Executive Trustee Services; is not a party to the within action; and that on March 06, 2009, he personally served the Notice, of which the annexed is a true copy, by depositing in the United States Mail a copy of such Notice in a sealed envelope, sent Certified Mail, with postage prepaid, such envelope being addressed to the person(s) named at the addresses below.

I declare under penalty of perjury that the foregoing is true and correct.

X

Affiant Valdemar Botello

7113 8257 1473 1749 7520
TSN #: ID-167373-C
JULIE G BARNSON
1715 E LAKE SAMMAMISH PKWY NE
SAMMAMISH, WA 98074-4509

7113 8257 1473 1749 7537
TSN #: ID-167373-C
JULIE G. BARNSON
28123 SILO WAY
WILDER, ID 83676

7113 8257 1473 1749 7544
TSN #: ID-167373-C
JULIE G. BARNSON
8142 S RAFAEL WAY
BOISE, ID 83709-7386

7113 8257 1473 1749 7551
TSN #: ID-167373-C
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.
PO BOX 507
HERNDON, VA 20172-0507

7113 8257 1473 1749 7568
TSN #: ID-167373-C
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.
3300 SW 34TH AVE STE 101
OCALA, FL 34474-4438

7113 8257 1473 1749 7575
TSN #: ID-167373-C
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.

C/O HOMECOMINGS FINANCIAL ONE
MERIDIAN CROSSING, STE. 100
MINNEAPOLIS, MN 55423

7113 8257 1473 1749 7582
TSN #: ID-167373-C
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC. C/O
HOMECOMINGS FINANCIAL, LLC
(F/K/A HOMECOMINGS FIN
1687 114TH AVE SE STE 100
BELLEVUE, WA 98004-6999

7113 8257 1473 1749 7599
TSN #: ID-167373-C
Occupants/Tenants
28123 SILO WAY
WILDER, ID 83676

7113 8257 1473 1749 7605
TSN #: ID-167373-C
PARK WEST HOMES

C/O DAVID E. WISHNEY 300 WEST
MYRTLE, SUITE 200
BOISE, ID 83701

AFFIDAVIT OF MAILING***Executive Trustee Services***

Date: 03/06/2009

Ref. No.: 7471476101

MailbatchID: 238398

7113 8257 1473 1749 7612
TSN #: ID-167373-C
PARK WEST HOMES

C/O DAVID E. WISHNEY POST OFFICE
BOX 837
BOISE, ID 83701

7113 8257 1473 1749 7629
TSN #: ID-167373-C
PARK WEST HOMES C/O ROBERT B.
BURNS MOFFATT, THOMAS,
BARRETT ROCK & FIELDS
CHARTERED

101 S. CAPITOL BLVD., 10TH FLOOR
BOISE, ID 83701

7113 8257 1473 1749 7636
TSN #: ID-167373-C
PARK WEST HOMES C/O ROBERT B.
BURNS MOFFATT, THOMAS,
BARRETT ROCK & FIELDS
CHARTERED

POST OFFICE BOX 829
BOISE, ID 83701

7113 8257 1473 1749 7643
TSN #: ID-167373-C
PARKWEST HOMES, LLC

C/O DAVID ZAWADZKI 8773 QUAIL
RIDGE DRIVE
NAMPA, ID 83686

7113 8257 1473 1749 7650
TSN #: ID-167373-C
RIVERBEND ESTATES
HOMEOWNERS ASSOCIATION, INC.
PO BOX 573
RIGBY, ID 83442-0573

7113 8257 1473 1749 7667
TSN #: ID-167373-C
RIVERBEND ESTATES
HOMEOWNERS ASSOCIATION, INC.

C/O JIM BERNARD 3894 E 200 N
RIGBY, ID 83442

7113 8257 1473 1749 7674
TSN #: ID-167373-C
RIVERBEND ESTATES
HOMEOWNERS ASSOCIATION, INC.

C/O MILES MINSON ROUTE 1, BOX
603
VICTOR, ID 83455

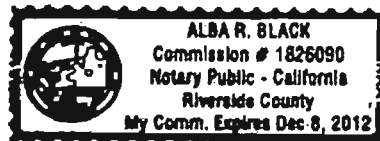
STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)

Subscribed and sworn to (or affirmed) before me on this 9th day of June (month),
2009 (year), by Valdemar Botello, proved to me on the basis of satisfactory evidence to be
the person who appeared before me.



(Signature of Notary)

(Seal of Notary)



NOTICE OF TRUSTEE'S SALE

T.S. No.: ID -167373-C
Loan No.: 7471476101
A.P.N.: R37214103 0

NOTICE IS HEREBY GIVEN that, FIRST AMERICAN TITLE INSURANCE COMPANY the duly appointed Successor Trustee, will on 7/9/2009 at 11:00 AM (recognized local time), In the office of Pioneer Title Company located at 610 So. Kimbal, Caldwell, ID 83605-0610, will sell at public auction, to the highest bidder, for cash, in lawful money of the United States, all payable at the time of sale, the following described real property and personal property, situated in the County of Canyon, State of Idaho, and described as follows: **LOT 4 IN BLOCK 1 OF RIVERBEND SUBDIVISION, CANYON COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK 34 OF PLATS, AT PAGE 2, RECORDS OF SAID COUNTY.**

The Trustee has no knowledge of a more particular description of the above referenced real property, but for purposes of compliance with Section 60-113 Idaho Code, the Trustee has been informed that the address sometimes associated with said real property is: 28123 SILO WAY WILDER, ID 83676

Said sale will be made without covenant or warranty regarding title, possession or encumbrances to satisfy the obligation secured by and pursuant to the power of sale conferred in the Deed of Trust executed by: JULIE G. BARNSON, AN UNMARRIED WOMAN, as grantors, to TRANSNATION TITLE, as Trustee, for the benefit and security of MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., ("MERS") AS NOMINEE FOR HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.), as Beneficiary, dated 11/10/2006, recorded 11/14/2006, as Instrument No. 200690998 and re-recorded, records of Canyon County, Idaho, the beneficial interest in which is presently held by MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC..

THE ABOVE GRANTORS ARE NAMED TO COMPLY WITH SECTION 45-1506(4)(A), IDAHO CODE. NO REPRESENTATION IS MADE THAT THEY ARE, OR ARE NOT, PRESENTLY RESPONSIBLE FOR THIS OBLIGATION.

The Default for which this sale is to be made is the failure to pay when due, under Deed of Trust and Note dated 11/10/2006. The monthly payments for Principal, Interest and Impounds (if applicable) of 1421.94, due per month from 1/1/2007 through 7/9/2009, and all subsequent payments until the date of sale or reinstatement. The principal balance owing as of this date on the obligation secured by said Deed of Trust is \$337,600.00, plus accrued interest at the rate of 1.00% per annum from 12/1/2006.

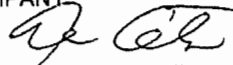
NOTICE OF TRUSTEE'S SALE

T.S. No.: ID -167373-C
Loan No.: 7471476101
A.P.N.: R37214103 0

All delinquent amounts are now due, together with accruing late charges, and interest, unpaid and accruing taxes, assessments, trustee's fees, attorney's fees, and any amounts advanced to protect the security associated with this foreclosure. The Beneficiary elects to sell or cause the trust property to be sold to satisfy said obligation.

Dated: 3/4/2009

FIRST AMERICAN TITLE INSURANCE
COMPANY



Dee Ortega, authorized signatory
C/O Executive Trustee Services, LLC
2255 North Ontario Street, Suite 400 Burbank,
California 91504-3120
Sale Line: (714) 730-2727

POOR COPY

NOTICE REQUIRED BY IDAHO LAW

Mortgage Foreclosure is a legal proceeding where a lender terminates a borrower's interest in property to satisfy unpaid debt secured by the property. This can mean that when a homeowner gets behind on his or her mortgage payments, the lender forces a sale of the home on which the mortgage loan is based. Some individuals or businesses may say they can "save" your home from foreclosure. You should be cautious about such claims. It is important that you understand all the terms of a plan to "rescue" you from mortgage foreclosure and how it will affect you. It may result in your losing valuable equity that you may have in your home. If possible, you should consult with an attorney or financial professional to find out what other options you may have. Do not delay seeking advice, because the longer you wait, the fewer options you may have.

You may find helpful information online. One excellent source is the Department of Housing and Urban Development (HUD) website which can be found at "<http://www.hud.gov/foreclosure/index.cfm>". HUD also maintains on its website a list of approved housing counselors who can provide free information to assist homeowners with financial problems. Another good source of information is found at the Office of the Attorney General's website "<http://www2.state.id.us/ag/>".

Under Idaho law, you have five (5) days to rescind or undo certain contracts or agreements that relate to transferring interests in property or money in a foreclosure situation. An attorney or financial professional can tell you more about this option.

POOR COPY

2008015
Recording Requested By:

And When Recorded Mail To:
Executive Trustee Services, LLC
2255 North Ontario Street, Suite 400
Burbank, California 91504-3120

Loan No.: 7471476101
T.S. No.: ID-167373-C
APN: R37214103 0

REQUEST
TYPE Doc FEE 6.00
PIONEER TITLE COMPANY

WILLIAM H. HURST
CANYON CNTY RECORDER
BY Ma Brown

2009 JUL 20 PM 1 57

RECORDED

2009036841

TRUSTEE'S DEED

FIRST AMERICAN TITLE INSURANCE COMPANY (herein called Trustee) as Successor Trustee under the Deed of Trust hereinafter particularly described, does hereby Bargain, Sell and Convey, without warranty, to RESIDENTIAL FUNDING REAL ESTATE HOLDINGS, LLC, herein called Grantee whose current address is: c/o GMAC Mortgage Corporation, 500 Enterprise Road, Suite 150, Horsham, PA 19044 all of the real property situated in the County of Canyon, state of Idaho described as follows:

LOT 4 IN BLOCK 1 OF RIVERBEND SUBDIVISION, CANYON COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK 34 OF PLATS, AT PACE 2, RECORDS OF SAID COUNTY.

This conveyance is made pursuant to the powers conferred upon Trustee by the Deed of Trust between JULIE G. BARNSON, AN UNMARRIED WOMAN, as Grantor, and TRANSNATION TITLE, as Trustee, and MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., ("MERS") AS NOMINEE FOR HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.), as Beneficiary, dated 11/10/2006, recorded 11/14/2006, as instrument No. 200690998, Book Page , and re-recorded , mortgage records of Canyon County, Idaho, and after the fulfillment of the conditions specified in said Deed of Trust authorizing this conveyance as follows:

(1). Default occurred in the obligations for which such deed of trust was given as security and the beneficiary made demand upon the said trustee to sell property pursuant to the terms of said deed of trust. Notice of Default was recorded 2/26/2009, as Instrument No. 2009-009415, Book , Page , mortgage records of Canyon County, Idaho and in the office of each County in which the property described in said deed of trust, or any part thereof, is situated, the nature of such default being as set forth in said Notice of Default. Such default still existed at the time of sale.

(2). After recording of said Notice of Default, trustee gave notice of the time and place of the sale of said property by registered or certified mail, by personal service upon the occupants of said premises and by publishing in a conspicuous place on said premises and by publishing in a newspaper of general circulation in each of the counties in which the property is situated as more fully appears in affidavits recorded at least 20 days prior to the date of sale as Instrument No. 2009029759, Instrument No. 2009029760, and Instrument No. 2009029761 Mortgage records of Canyon County, Idaho.

ID-167373-C
7471476101

(3). The provisions, recitals and contents of the Notice of Default referred to in paragraph (1) supra and of the Affidavits referred to in paragraph (2) supra shall be and they are hereby incorporated herein and made an integral part hereof for all purposes as though set forth herein at length.

(4). All requirements of law regarding the mailing, personal service, posting, publication and recording of the notice of default, and Notice of Sale and for all other notices have been complied with.

(5). Not less than 120 days elapsed between the giving of Notice of Sale by registered or certified mail and the sale of the property.

(6). Trustee, at the time and place of sale fixed by said Notice, at public auction, in one parcel, struck off to Grantee, being the highest bidder thereof, the property herein described for the sum of \$199,556.36, subject however to all prior liens and encumbrances. No person or corporation offered to take any part of said property less than the whole thereof for the amount of principal, interest, and advanced costs.

Dated: 7/9/2009

FIRST AMERICAN TITLE INSURANCE COMPANY

MARIA DELATORRE, ASST SEC

State of CA) ss.
County of Orange)

On 7th before me, Laura A. Kennedy, a Notary Public personally appeared, MARIA DE LA TORRE who proved to me on the basis of satisfactory evidence to the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SIGNATURE ✓



Stephen C. Hardesty ISB No. 4214
 Ryan T. McFarland ISB No. 7347
 HAWLEY TROXELL ENNIS & HAWLEY LLP
 877 Main Street, Suite 1000
 P.O. Box 1617
 Boise, ID 83701-1617
 Telephone: (208) 344-6000
 Facsimile: (208) 954-5236
 Email: shardesty@hawleytroxell.com
 rmcfarland@hawleytroxell.com

F I L E D
 A.M. 7:20 P.M.
NOV 12 2010

CANYON COUNTY CLERK
 D. BUTLER, DEPUTY

Attorneys for Defendant Mortgage Electronic Registration Systems, Inc, as
 nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial
 Network, Inc.)

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
 OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF CANYON

PARKWEST HOMES LLC, an Idaho limited
 liability company,)

Plaintiff,)

vs.)

JULIE G. BARNSON, an unmarried woman;)
 MORTGAGE ELECTRONIC)
 REGISTRATION SYSTEMS, INC., a)
 Delaware corporation, as nominee for)
 Homecomings Financial, LLC (f/k/a)
 Homecomings Financial Network, Inc.), a)
 Delaware limited liability company; and)
 DOES 1-10,)

Defendants)

and)

RESIDENTIAL FUNDING REAL ESTATE)
 HOLDINGS, LLC, a Delaware limited)
 liability company,)

Defendant/Counterclaimant.)

Case No. CV 07-8274

AFFIDAVIT OF RYAN T.
 MCFARLAND IN SUPPORT OF
 MOTION FOR PROTECTIVE ORDER

Ryan T. McFarland, being first duly sworn upon oath, deposes and says:

1. I am counsel for Defendant Mortgage Electronic Registration Systems, Inc, as nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.) ("MERS") in the foregoing action and make this affidavit on my own personal knowledge.

2. Attached hereto as Exhibit A is a true and correct copy of written discovery requests propounded on MERS and served on me on or about October 13, 2010.

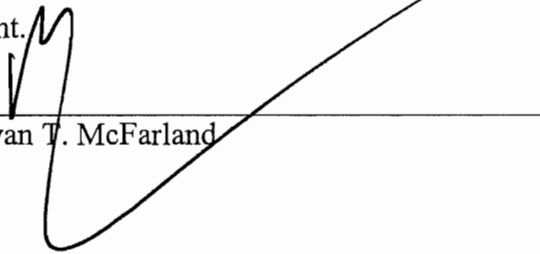
3. Attached hereto as Exhibit B is a true and correct copy of a notice of deposition of MERS also served on me on or about October 13, 2010.

4. MERS' designated deponent, having knowledge of the above-captioned case, lives and works in Texas. MERS does not have an office in Idaho.

5. On October 27, 2010, in connection with the Stipulation To Intervene filed in this action, ParkWest granted MERS an open-ended extension in responding to the written discovery requests and appearing for the deposition.

6. On November 1, 2010, I asked counsel for ParkWest, via e-mail, if ParkWest would agree to voluntarily dismiss MERS from this case, in light of the Stipulation To Intervene. I received no response to my request. Instead, on November 4, counsel for ParkWest sent me an e-mail demanding that MERS respond to the pending written discovery by November 15, 2010.

7. Further your affiant sayeth naught.

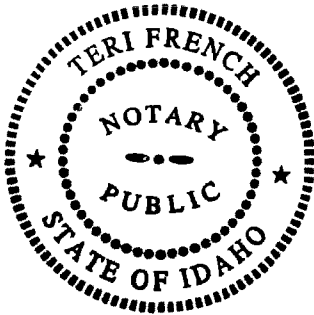


Ryan T. McFarland

STATE OF IDAHO)
) ss.
County of Ada)

I, Teri French, a Notary Public, do hereby certify that on this 10th day of November, 2010, personally appeared before me Ryan T. McFarland, who, being by me first duly sworn, declared that he is an attorney of record for Defendant Mortgage Electronic Registration Systems, Inc, as nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.) in the foregoing action, that he signed the foregoing document as an attorney for Defendant Mortgage Electronic Registration Systems, Inc, as nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.), and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Teri French

Notary Public for Idaho
Residing at Boise, Idaho
My commission expires June 27, 2014

CERTIFICATE OF SERVICE

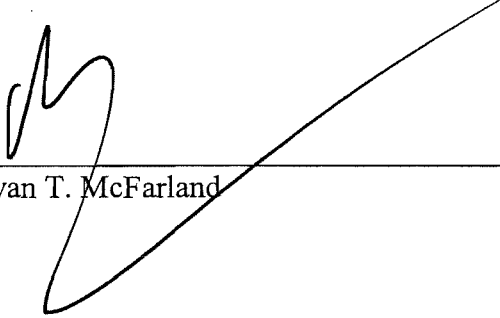
I HEREBY CERTIFY that on this 10th day of November, 2010, I caused to be served a true copy of the foregoing AFFIDAVIT OF RYAN T. MCFARLAND IN SUPPORT OF MOTION FOR PROTECTIVE ORDER by the method indicated below, and addressed to each of the following:

Robert B. Burns
MOFFATT, THOMAS, BARRETT, ROCK
& FIELDS, CHARTERED
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701
[Attorneys for Plaintiff]

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ E-mail
☐ Telecopy

David E. Wishney
Attorney at Law
300 W. Myrtle Street, Suite 200
P.O. Box 837
Boise, ID 83701-0837
[Attorney for Defendant Julie G. Barnson]

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ E-mail
☐ Telecopy



Ryan T. McFarland

Robert B. Burns, ISB No. 3744
MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED
101 S. Capitol Blvd., 10th Floor
Post Office Box 829
Boise, Idaho 83701
Telephone (208) 345-2000
Facsimile (208) 385-5384
rbb@moffatt.com
23095.0001

Attorneys for Plaintiff

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF CANYON

PARKWEST HOMES LLC, an Idaho limited
liability company,

Plaintiff,

vs.

JULIE G. BARNSON, an unmarried woman;
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC., a
Delaware corporation, as nominee for
Homecomings Financial, LLC (f/k/a
Homecomings Financial Network, Inc.), a
Delaware limited liability company; and
DOES 1-10;

Defendants.

Case No. CV 07-8274

**PLAINTIFF'S SECOND SET OF
REQUESTS FOR ADMISSION,
INTERROGATORIES, AND
REQUESTS FOR PRODUCTION OF
DOCUMENTS**

**PLAINTIFF'S SECOND SET OF REQUESTS FOR ADMISSION,
INTERROGATORIES, AND REQUESTS FOR PRODUCTION OF DOCUMENTS - 1**

Client:1802393.1

Plaintiff ParkWest Homes LLC ("ParkWest") hereby propounds the following requests for admission, interrogatories, and requests for production of documents pursuant to Idaho Rules of Civil Procedure 36, 33, and 34, respectively, on Defendant Mortgage Electronic Registration Systems, Inc. ("MERS"), which are required to be answered within 30 days from the date of service hereof.

Definitions. As used in these discovery requests:

- (i) the term "Document" includes, without limiting its generality, contracts, agreements, deeds, notices, correspondence, e-mails, reports, records, logs, schedules, diaries, notes, summaries, memoranda, and any and all other taped, recorded, electronically stored, printed, written, or typed items of any kind or description;
- (ii) the term "Identity" when used to identify an individual includes his or her name and last known place of employment, address, and telephone number, and when used to identify a Document includes the date of its preparation and/or execution, the persons preparing and/or executing it, and the present custodian of the Document;
- (iii) the term "Complaint" means ParkWest's Supplemental Amended Complaint to Foreclose Lien, filed in this action on September 14, 2010;
- (iv) the term "Property" means that certain real property having a street address of 28123 Silo Way, Wilder, Idaho, as more particularly described in paragraph 2 of the Complaint;
- (v) the term "MERS Deeds of Trust" means those two deeds of trust encumbering the Property more particularly described in paragraph 3 of the Complaint and in paragraph 3 of Mortgage Electronic Registration Systems, Inc.'s Answer to Plaintiff's

Supplemental Amended Complaint to Foreclose Lien, dated October 6, 2010, as comprising the two deeds of trust recorded November 14, 2006, as Instrument Nos. 200690998 and 200690999, Official Records of Canyon County, Idaho; and

(vi) the term “Homecomings Financial” means Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.), a Delaware limited liability company.

Requests for Admission. Pursuant to Idaho Rule of Civil Procedure 36, MERS must answer each request for admission, unless it is objected to, in which event the reasons for objection must be stated. MERS’ answers must be signed under oath by it or by its attorney.

Interrogatories. Pursuant to Idaho Rule of Civil Procedure 33, MERS must answer each interrogatory separately and fully in writing, unless it is objected to, in which event the reasons for objection must be stated. Although objections may be signed by the attorney making them, MERS is required to sign the answers to these interrogatories under oath.

Requests for Production. Pursuant to Idaho Rule of Civil Procedure 34, MERS is requested to produce for inspection and/or copying the Documents and any other items requested below that are in MERS’ possession, custody, or control at the offices of Moffatt, Thomas, Barrett, Rock & Fields, Chartered, at its address appearing in the case caption above, or at such other time and place as mutually agreed by counsel or ordered by the Court. If MERS withholds from production any Document requested under a claim of privilege, work product, or otherwise, describe each such Document sufficiently to allow a motion to compel its production.

REQUESTS FOR ADMISSION

REQUEST FOR ADMISSION NO. 5: Admit that **Exhibit A** attached hereto constitutes a true and correct copy of one of the two MERS Deeds of Trust and all attachments thereto (hereinafter, “MERS Deed of Trust No. 200690998”).

REQUEST FOR ADMISSION NO. 6: Admit that **Exhibit B** attached hereto constitutes a true and correct copy of one of the two MERS Deeds of Trust and all attachments thereto (hereinafter, "MERS Deed of Trust No. 200690999").

REQUEST FOR ADMISSION NO. 7: Admit that **Exhibit C** attached hereto constitutes a true and correct copy of Schedule A and Schedule B to the Loan Policy for Title Insurance obtained by Homecomings Financial with respect to MERS Deed of Trust No. 200690998.

REQUEST FOR ADMISSION NO. 8: Admit that **Exhibit D** attached hereto constitutes a true and correct copy of Schedule A and Schedule B to the Loan Policy for Title Insurance obtained by Homecomings Financial with respect to MERS Deed of Trust No. 200690999.

REQUEST FOR ADMISSION NO. 9: Admit that the Loan Policies for Title Insurance obtained by Homecomings Financial with respect to the two MERS Deeds of Trust (i.e., Exhibit C and Exhibit D attached hereto) reflect that the lien of MERS Deed of Trust No. 200690999 is subordinate to the lien of MERS Deed of Trust No. 200690998.

REQUEST FOR ADMISSION NO. 10: Admit that MERS Deed of Trust No. 200690999 was recorded by the Canyon County Recorder subsequent to the recordation of MERS Deed of Trust No. 200690998.

REQUEST FOR ADMISSION NO. 11: Admit that **Exhibit E** attached hereto constitutes a true and correct copy of the "Note" defined on page 2, paragraph (F), of MERS Deed of Trust No. 200690998.

REQUEST FOR ADMISSION NO. 12: Admit that **Exhibit F** attached hereto constitutes a true and correct copy of the "Borrower(s) Promissory Note" described on page 1, paragraph 4.A, of MERS Deed of Trust No. 200690999.

REQUEST FOR ADMISSION NO. 13: Admit that **Exhibit G** attached hereto constitutes a true and correct copy of a Notice of Trustee's Sale that was given in connection with effecting the sale of the Property on July 9, 2009, by power of sale to satisfy, in whole or in part, the Adjustable Rate Note secured by MERS Deed of Trust No. 200690998.

REQUEST FOR ADMISSION NO. 14: Admit that **Exhibit H** attached hereto constitutes a true and correct copy of the Trustee's Deed given in connection with the sale of the Property on July 9, 2009, by power of sale to satisfy, in whole or in part, the Adjustable Rate Note secured by MERS Deed of Trust No. 200690998.

REQUEST FOR ADMISSION NO. 15: Admit that the sale of the Property described in Request for Admission No. 14, above, has not been rescinded or set aside.

REQUEST FOR ADMISSION NO. 16: Admit that pursuant to Idaho Code Section 45-1508 the sale of the Property described in Request for Admission No. 14, above, foreclosed and terminated all interest in the Property of MERS, Homecomings Financial, and all persons claiming by, through, or under MERS or Homecoming Financial, excepting only the interest acquired by Residential Funding Real Estate Holdings, LLC under the Trustee's Deed attached hereto as Exhibit H.

REQUEST FOR ADMISSION NO. 17: Admit that **Exhibit I** attached hereto constitutes an appraisal for the Property that is maintained in the files and records of

Homecomings Financial, is dated November 8, 2006, and reports the appraised value of the Property as of March 31, 2006, to be \$422,000.

REQUEST FOR ADMISSION NO. 18: Admit that Exhibit I attached hereto constitutes the sole appraisal report for the Property maintained in the files and records of Homecomings Financial that reflects the appraised value of the Property in 2006.

REQUEST FOR ADMISSION NO. 19: Admit that **Exhibit J** attached hereto constitutes a report for the Property that is maintained in the files and records of Homecomings Financial, is dated November 6, 2006, and estimates the value of the Property as of such date to be \$422,000.

REQUEST FOR ADMISSION NO. 20: Admit that **Exhibit K** attached hereto constitutes a report for the Property that is maintained in the files and records of Homecomings Financial, is dated November 6, 2006, and reflects the value of the Property as of such date to be \$422,000.

REQUEST FOR ADMISSION NO. 21: Admit that **Exhibit L** attached hereto constitutes a report for the Property that is maintained in the files and records of Homecomings Financial, is dated November 7, 2006, and reflects the value of the Property as of such date to be \$422,000.

REQUEST FOR ADMISSION NO. 22: Admit that Exhibit I, Exhibit J, Exhibit K, and Exhibit L attached hereto constitute the sole Documents maintained in the files and records of Homecomings Financial that reflect the appraised or estimated value of the Property in 2006.

REQUEST FOR ADMISSION NO. 23: Admit that Homecomings Financial believed at the time it made the loans secured by the two MERS Deeds of Trust that the value of the Property was not less than \$422,000.

REQUEST FOR ADMISSION NO. 24: Admit that Exhibits A-L attached hereto are admissible into evidence at the trial in this action (i.e., Case No. CV 07-8274).

INTERROGATORIES

INTERROGATORY NO. 4: With respect to each of the foregoing Requests for Admission that was not admitted without qualification by MERS, state all factual bases supporting each denial or qualified admission made.

INTERROGATORY NO. 5: Identify by state, judicial district, case number, and plaintiff each civil action instituted against Julie G. Barnson to obtain a deficiency judgment with respect to her obligations arising under the Adjustable Rate Note attached hereto as Exhibit E and/or the Note attached hereto as Exhibit F.

REQUESTS FOR PRODUCTION OF DOCUMENTS

REQUEST FOR PRODUCTION NO. 5: Produce all Documents supporting or referenced in each denial or qualified admission made by MERS with respect to the foregoing Requests for Admission.

REQUEST FOR PRODUCTION NO. 6: Produce all Documents supporting or referenced in MERS' answers to the foregoing Interrogatories.

REQUEST FOR PRODUCTION NO. 7: Produce all Documents filed with the court in any civil action identified by MERS' answer to Interrogatory No. 5, above.

DATED this 13th day of October 2010.

MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED

By 

Robert B. Burns – Of the Firm
Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 13th day of October 2010, I caused a true and correct copy of the foregoing **PLAINTIFF'S SECOND SET OF REQUESTS FOR ADMISSION, INTERROGATORIES, AND REQUESTS FOR PRODUCTION OF DOCUMENTS** to be served by the method indicated below, and addressed to the following:

Stephen C. Hardesty
Ryan T. McFarland
HAWLEY TROXELL ENNIS & HAWLEY LLP
877 W. Main St., Ste. 1000
P.O. Box 1617
Boise, ID 83701-1617
Facsimile (208) 954-5223 and (208) 954-5236

☐ U.S. Mail, Postage Prepaid
☒ Hand Delivered
☐ Overnight Mail
☐ Facsimile


Robert B. Burns

23

200690398

RECORDED

NOV 14 PM 4 23

CANONICAL
EX-1000000

TRANSACTION TITLE

REQUEST
TYPE MTA FEE 109.00

10/17

Return To: Homecomings Financial
One Meridian Crossing, Ste. 100
Minneapolis MN 55423
Loan Number: 047-147610-1

1st

Prepared By: Homecomings Financial
1687 114th Ave. SE, Suite 100
Bellevue, WA 98004

111 22 16

01600051560CGC

[Space Above This Line For Recording Data]

DEED OF TRUST

MIN 100062604714761014

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated NOVEMBER 10TH, 2006 together with all Riders to this document.

(B) "Borrower" is
JULIE G. BARNSON, AN UNMARRIED WOMAN

Borrower is the trustor under this Security Instrument.

(C) "Lender" is HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

Lender is a LIMITED LIABILITY COMPANY
organized and existing under the laws of DELAWARE

IDAHO-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT WITH MERS
MFID7770 (09/2006) / 047-147610-1

Form 3013 1/01

VMP -6A(1D) (0509)

Page 1 of 15

Initials: B

VMP Mortgage Solutions, Inc.



EXHIBIT A

Lender's address is 1687 114TH AVE., SE, SUITE 100
BELLEVUE, WA 98004

(D) "Trustee" is TRANSNATION TITLE

(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel: (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated NOVEMBER 10TH, 2006

The Note states that Borrower owes Lender THREE HUNDRED THIRTY SEVEN THOUSAND SIX HUNDRED AND NO/100 Dollars

(U.S. \$ 337,600.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than DECEMBER 1ST, 2036

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input checked="" type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.

Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to

be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. **Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

18. **Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. **Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. **Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA

requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold, and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law.

24. Substitute Trustee. Lender may, for any reason or cause, from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. Area and Location of Property. Either the Property is not more than 40 acres in area or the Property is located within an incorporated city or village.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Julie G. Barnson (Seal)
-Borrower

JULIE G. BARNSON

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

STATE OF IDAHO,

ADA

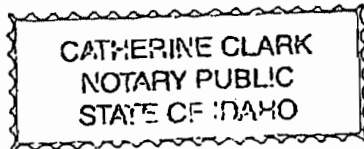
County ss:

On this 13 day of November
Catherine Clark
a Notary Public in and for said county and state, personally appeared
JULIE G. BARNSON, ~~AN UNMARRIED WOMAN~~

2006, before me.

known or proved to me to be the person(s) who executed the foregoing instrument, and acknowledged to me that he/she/they executed the same.

In witness whereof I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.




Notary Public residing at:

Commission Expires 10-5-07
Residing in Eagle, Idaho

ADJUSTABLE RATE RIDER

Payment Option

THIS ADJUSTABLE RATE RIDER is made this 10TH day of NOVEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

("Lender") of the same date and covering the property described in the Security Instrument and located at:

28123 SILO WAY
WILDER, ID 83676

[Property Address]

THE NOTE CONTAINS PROVISIONS THAT WILL CHANGE THE INTEREST RATE AND THE MONTHLY PAYMENT. THERE MAY BE A LIMIT ON THE AMOUNT THAT THE MONTHLY PAYMENT CAN INCREASE OR DECREASE. THE PRINCIPAL AMOUNT TO REPAY COULD BE GREATER THAN THE AMOUNT ORIGINALLY BORROWED, BUT NOT MORE THAN THE LIMIT STATED IN THE NOTE.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

Lender or anyone who takes the Note by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for changes in the interest rate and the monthly payments, as follows:

2. INTEREST

(A) Interest Rate

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will initially pay interest at a yearly rate of 1.0000 %. The interest rate I will pay may change.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 7(B) of the Note.

(B) Interest Rate Change Dates

The interest rate I will pay may change on the first day of JANUARY, 2007, and on that day every month thereafter. Each date on which my interest rate could change is

PAYMENT OPTION MULTISTATE ADJUSTABLE RATE RIDER 10/05

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VMP Mortgage Solutions, Inc.

MFCD4262 (08/2006) / 047-147610-1

Initials: 

called an "Interest Rate Change Date." The new rate of interest will become effective on each Interest Rate Change Date. Although the interest rate may change monthly, my monthly payment will be recalculated in accordance with Section 3.

(C) Interest Rate Limit

My interest rate will never be greater than 9.9500 %.

(D) Index

Beginning with the first Interest Rate Change Date, my adjustable interest rate will be based on an Index. The "Index" is the "Twelve-Month Average" of the annual yields on actively traded United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in the Federal Reserve Statistical Release entitled "Selected Interest Rates (h.15)" (the "Monthly Yields"). The Twelve Month Average is determined by adding together the Monthly Yields for the most recently available twelve months and dividing by 12. The most recent Index figure available as of the date 15 days before each Interest Rate Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(E) Calculation of Interest Rate Changes

Before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by adding THREE AND ONE FOURTH percentage point(s) (3.2500 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limit stated in Section 2(C) above, the result of this addition will be my new interest rate until the next Interest Rate Change Date.

3. PAYMENTS

(A) Time and Place of Payments

I will make a payment every month.

I will make my monthly payments on the first day of each month beginning on JANUARY 1ST, 2007 . I will make these payments every month until I have paid all the Principal and interest and any other charges that I may owe under the Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on DECEMBER 1ST, 2036 , I still owe amounts under the Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

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I will make my monthly payments at 1687 114TH AVE., SE, SUITE 100,
BELLEVUE, WA 98004
or at a different place if required by the Note Holder.

(B) Minimum Payment; Amount of My Initial Monthly Payments

My "Minimum Payment" is the minimum amount the Note Holder will accept for my monthly payment, which the Note Holder will determine in accordance with this Section 3(B), or Section 3(D), 3(F) or 3(G), below, as applicable.

Each of my initial Minimum Payments will be in the amount of U.S.
\$ 1,085.86 , until a new Minimum Payment is required as provided below.

(C) Payment Change Dates

My Minimum Payment may change as required by Section 3(D) below beginning on the first day of JANUARY, 2008 , and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My Minimum Payment also will change at any time Section 3(F) or 3(G) below requires me to pay a different amount.

I will pay at least the amount of my new Minimum Payment each month beginning on each Payment Change Date or as provided in Section 3(F) or 3(G) below.

(D) Calculation of Monthly Payment Changes

Before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Payment Change Date in full on the Maturity Date in substantially equal installments at the interest rate effective during the month preceding the Payment Change Date. The result of this calculation is called the "Full Payment."

Unless Section 3(F) or 3(G) below requires me to pay a different amount, my new Minimum Payment that will be effective on a Payment Change Date will be in the amount of the Full Payment, except that my new Minimum Payment will be limited to an amount that will not be more than 7.5% greater than the amount of my last Minimum Payment due before the Payment Change Date (this limitation is called the "Payment Change Cap"). The Payment Change Cap applies only to the Principal and interest payment and does not apply to any escrow payments the Note Holder may require under the Security Instrument.

(E) Additions to My Unpaid Principal

My monthly payment could be less than or greater than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid Principal I owe at the monthly payment date in full on the Maturity Date in substantially equal payments. For each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid Principal. The Note Holder also will add interest on the amount of this difference to my unpaid Principal each month. The interest rate on the interest added to Principal will be the rate required by Section 2 above. For each month that my monthly payment is greater than the interest portion, the Note Holder will apply the payment as provided in Section 3(A).

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(F) Limit on My Unpaid Principal; Increased Monthly Payment

My unpaid Principal may never exceed a maximum amount equal to 115% of the Principal amount I originally borrowed. Because of my paying only limited monthly payments, the addition of unpaid interest to my unpaid Principal under Section 3(E) above could cause my unpaid Principal to exceed that maximum amount when interest rates increase. In that event, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment in an amount that would be sufficient to repay my then unpaid Principal in full on the Maturity Date in substantially equal installments at the interest rate effective during the preceding month, regardless of the Payment Change Cap. This amount will be my new Minimum Payment. This means that my Minimum Payment may change more frequently than annually. This new Minimum Payment amount will remain in effect until at least the next regular Payment Change Date, unless another recalculation of my Minimum Payment is required by this Section prior to such Payment Change Date.

(G) Required Full Payment

Regardless of the Payment Change Cap, on the TENTH Payment Change Date and on each succeeding fifth Payment Change Date thereafter, I will begin paying the Full Payment as my Minimum Payment until my monthly payment changes again. I also will begin paying at least the Full Payment as my Minimum Payment on the final Payment Change Date.

(H) Payment Options

After the first Interest Rate Change Date, each month the Note Holder may provide me with up to three additional payment options (in addition to the Minimum Payment) that are greater than the Minimum Payment, which are called "Payment Options." I may be given the following Payment Options:

- (i) **Interest Only Payment:** the amount that would pay the interest portion of the monthly payment at the current interest rate. The Principal balance will not be decreased by this Payment Option.
- (ii) **Fully Amortized Payment:** the amount necessary to pay the loan off (including all Principal and interest) at the Maturity Date in substantially equal installments. This Payment Option is calculated on the assumption that the current interest rate will remain in effect until the loan is paid in full, however, the current interest rate may in fact change every month.
- (iii) **15 Year Amortized Payment:** the amount necessary to pay the loan off (including all Principal and interest) within a fifteen (15) year period from the first payment due date in substantially equal installments. This Payment Option is calculated on the assumption that the current rate will remain in effect until the loan is paid in full, however, the current interest rate may in fact change every month.

Payment Options will only be available if they are greater than the Minimum Payment.

(I) Failure to Make Adjustments

If for any reason the Note Holder fails to make an adjustment to the interest rate or payment amount as described herein, regardless of any notice requirement, I agree the Note Holder may, upon discovery of such failure, then make the adjustment as if they had been made on time. I also agree not to hold the Note Holder responsible for any damages to me

Initials: 

that may result from the Note Holder's failure to make the adjustment and to let the Note Holder, at its option, apply any excess monies that I may have paid to partial Prepayment of unpaid Principal.

4. NOTICE OF CHANGES

The Note Holder will deliver or mail to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 18 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

Julie G. Barnson (Seal)
-Borrower
JULIE G. BARNSON

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

SECOND HOME RIDER

THIS SECOND HOME RIDER is made this 10TH day of NOVEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower" whether there are one or more persons undersigned) to secure Borrower's Note to
HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

(the "Lender") of the same date and covering the Property described in the Security Instrument (the "Property"), which is located at:
28123 SILO WAY
WILDER, ID 83676

[Property Address]

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Sections 6 and 8 of the Security Instrument are deleted and are replaced by the following:

6. **Occupancy.** Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's second home.

MULTISTATE SECOND HOME RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT MFC08056 - (08/2006) / 047-147610-1

Form 3890 1/01

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Initials: 

VMP-365R (0411)

VMP Mortgage Solutions, Inc. (800)521-7291



BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Second Home Rider.

Julie G. Barnson (Seal)
-Borrower
JULIE G. BARNSON

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

- B. All future advances from Lender to Grantor or other future obligations of Grantor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Grantor in favor of Lender after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Grantor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Grantor, or any one or more Grantor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Grantor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Grantor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

- This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.
5. **PAYMENTS.** Grantor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument. If any note evidencing the Secured Debt contains a variable rate feature, Grantor acknowledges that the interest rate, payment terms, or balance due on the loan may be indexed, adjusted, renewed or renegotiated.
6. **WARRANTY OF TITLE.** Grantor warrants that Grantor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, bargain, sell and convey the Property to Trustee, in trust, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.
7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Grantor agrees:
- To make all payments when due and to perform or comply with all covenants.
 - To promptly deliver to Lender any notices that Grantor receives from the holder.
 - Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
8. **CLAIMS AGAINST TITLE.** Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.
9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor shall not commit or allow any waste, impairment, or deterioration of the Property. Grantor will keep the Property free of noxious weeds and grasses. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Grantor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor, and of any loss or damage to the Property. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Grantor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection.
11. **AUTHORITY TO PERFORM.** If Grantor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. Lender's right to perform for Grantor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.
12. **ASSIGNMENT OF LEASES AND RENTS.** Grantor irrevocably grants, bargains, sells and conveys to Trustee, in trust for the benefit of Lender, as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Grantor will promptly provide Lender with true and correct copies of all existing and future Leases. Grantor may collect, receive, enjoy and use the Rents so long as Grantor is not in default under the terms of this Security Instrument.
- Grantor agrees that this assignment is immediately effective between the parties to this Security Instrument. Grantor agrees that this assignment is effective as to third parties on Grantor's default when Lender or Trustee takes affirmative action prescribed by law in the State of Idaho. Unless otherwise prohibited or prescribed by state law, Grantor agrees that Lender or Trustee may take actual possession of the property without the necessity of commencing any legal action or proceeding and Grantor agrees that actual possession is deemed to occur when Lender, or its agent, notifies Grantor of default and demands that Grantor and Grantor's tenants pay all Rents due and to become due directly to Lender. Immediately after Lender gives Grantor the notice of default, Grantor agrees that either Lender or Grantor may immediately notify the tenants and demand that all future Rents be paid directly to Lender. On receiving notice of default, Grantor will endorse and deliver to Lender any payment of Rents in Grantor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Grantor warrants that no default exists under the Leases or any applicable landlord/tenant law. Grantor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.
13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Grantor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Grantor will perform all of Grantor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
14. **DEFAULT.** Grantor will be in default if any party obligated on the Secured Debt fails to make payment when due. Grantor will also be in default if the prospect of payment, performance, or realization of collateral is significantly impaired.
15. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Grantor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Grantor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime

thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents, including without limitation, the power to sell the Property. If there is a default, Trustee shall, in addition to any other permitted remedy, at the request of the Lender, advertise and sell the Property as a whole or in separate parcels at public auction to the highest bidder for cash and convey absolute title free and clear of all right, title and interest of Grantor at such time and place as Trustee designates. Trustee shall give notice of sale including the time, terms and place of sale and a description of the property to be sold as required by the applicable law in effect at the time of the proposed sale.

Upon sale of the property and to the extent not prohibited by law, Trustee shall make and deliver a deed to the Property sold which conveys absolute title to the purchaser, and after first paying all fees, charges and costs, shall pay to Lender all moneys advanced for repairs, taxes, insurance, liens, assessments and prior encumbrances and interest thereon, and the principal and interest on the Secured Debt, paying the surplus, if any, to Grantor. Lender may purchase the Property. The recitals in any deed of conveyance shall be prima facie evidence of the facts set forth therein.

All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Grantor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Grantor agrees to pay all of Lender's expenses if Grantor breaches any covenant in this Security Instrument. Grantor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Grantor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This amount does not include attorneys' fees for a salaried employee of the Lender. This Security Instrument shall remain in effect until released. Grantor agrees to pay for any recordation costs of such release.
17. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law. Grantor represents, warrants and agrees that:
 - A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
 - B. Except as previously disclosed and acknowledged in writing to Lender, Grantor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
 - C. Grantor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Grantor shall take all necessary remedial action in accordance with any Environmental Law.
 - D. Grantor shall immediately notify Lender in writing as soon as Grantor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
18. **CONDEMNATION.** Grantor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Grantor authorizes Lender to intervene in Grantor's name in any of the above described actions or claims. Grantor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
19. **INSURANCE.** Grantor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding sentence can change during the term of the loan. The insurance carrier providing the insurance shall be chosen by Grantor subject to Lender's approval, which shall not be unreasonably withheld. If Grantor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument. All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Grantor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Grantor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Grantor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Grantor. Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Grantor. If the Property is acquired by Lender, Grantor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.
20. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Grantor will not be required to pay to Lender funds for taxes and insurance in escrow.
21. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Grantor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Grantor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Security Instrument and Lender's lien status on the Property.
22. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Grantor signs this Security Instrument but does not sign an evidence of debt, Grantor does so only in mortgage Grantor's interest in the Property to secure payment of the Secured Debt and Grantor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Grantor, Grantor agrees to waive any rights that may prevent Lender from bringing any action or claim against Grantor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Grantor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Grantor's consent. Such a change will not release Grantor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Grantor and Lender.

23. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
24. **SUCCESSOR TRUSTEE.** Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee without any other formality than the designation in writing. The successor trustee, without conveyance of the Property, shall succeed to all the title, power and duties conferred upon Trustee by this Security Instrument and applicable law.
25. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one grantor will be deemed to be notice to all grantors.
26. **WATERS.** Except to the extent prohibited by law, Grantor waives all rights to homestead exemption, appraisal and the marshalling of liens and assets relating to the Property.
27. **DECLARATION.** Grantor declares that the Property is either not more than forty acres in area or that the Property is located within an incorporated city or village.
28. **OTHER TERMS.** If checked, the following are applicable to this Security Instrument:

- ☐ **Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
- ☐ **Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
- ☐ **Fixture Filing.** Grantor grants to Lender a security interest in all goods that Grantor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
- ☒ **Riders.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. [Check all applicable boxes]
- ☐ Condominium Rider ☐ Planned Unit Development Rider ☐ Other
- ☐ Additional Terms.

SIGNATURES: By signing below, Grantor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Grantor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Julie G. Barnson 11/3/06
(Signature) JULIE G. BARNSON (Date) (Signature) (Date)

ACKNOWLEDGMENT:
STATE OF IDA COUNTY OF ADA ss.
On this 13 day of November 2006, before me, a Notary Public, personally appeared
(Individual) Julie G. Barnson, known or identified to me (or proved to me on the oath of _____), to be the person(s) whose name is subscribed to the within instrument, and acknowledged to me that she/he/they executed the same.

My commission expires:

CATHERINE CLARK
NOTARY PUBLIC
STATE OF IDAHO

Catherine Clark
(Notary Public)
Commission Expires 10-5-07
Residing in Eagle, Idaho

REQUEST FOR RECONVEYANCE

(Not to be completed until paid in full)

TO TRUSTEE:

The undersigned is the holder of the note or notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel this Deed of Trust, which is delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

(Authorized Bank Signature)

Date

SECOND HOME RIDER

THIS SECOND HOME RIDER is made this 10TH day of NOVEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower" whether there are one or more persons undersigned) to secure Borrower's Note to
HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

(the "Lender") of the same date and covering the Property described in the Security Instrument (the "Property"), which is located at:
28123 SILO WAY
WILDER, ID 83676

[Property Address]

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Sections 6 and 8 of the Security Instrument are deleted and are replaced by the following:


6. **Occupancy.** Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property.


8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's second home.

MULTISTATE SECOND HOME RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT MFCDB056 - (08/2006) / 047-158896-2

Form 3890 1/01

Page 1 of 2

Initials: 

 365R (0411)

VMP Mortgage Solutions, Inc. (800)521-7291



BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Second Home Rider.

Julie G. Barnson (Seal)
-Borrower
JULIE G. BARNSON

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

Issued with Policy
No.:

POLICY FOR TITLE INSURANCE

SCHEDULE A

Amount of Insurance: \$337,600.00

Policy No.: F51-1041291

File No.: 0600051560

Date of Policy: November 14, 2006 at 4:20 p.m.

1. Name of Insured:

HOMECOMINGS FINANCIAL, LLC (f/k/a HOMECOMINGS FINANCIAL NETWORK, INC.), appearing of record as MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS"), solely as nominee for Lender and Lender's successors and assigns

2. The estate or interest in the land described in this Schedule and which is encumbered by the insured mortgage is fee simple

3. Title to the estate or interest in the land is vested in:

JULIE G. BARNSON, an unmarried woman

4. The mortgage, herein referred to as the insured mortgage, and the assignments thereof, if any, are described as follows:

A Deed of Trust (with Adjustable Rate Rider and Second Home Rider attached) to secure an indebtedness of \$337,600.00, and any other amounts as therein provided.

Recorded: November 14, 2006, as Instrument No. 200690998, of Official Records

Dated: November 10, 2006

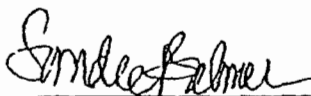
Grantor: JULIE G. BARNSON, an unmarried woman

Trustee: TRANSNATION TITLE

Beneficiary: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS"), solely as nominee for Lender and Lender's successors and assigns; Lender is HOMECOMINGS FINANCIAL, LLC (f/k/a HOMECOMINGS FINANCIAL NETWORK, INC.)

5. The land referred to in this policy is described as set forth in the insured mortgage, is situated in the County of Canyon, State of Idaho, and is identified as follows:

Lot 4 in Block 1 of RIVERBEND SUBDIVISION, Canyon County, Idaho, according to the official plat thereof, filed in Book 34 of Plats at Page 2, records of said County.

Countersigned: 

Authorized Officer or Agent

Sandee Balmer

American Land Title Association Loan Policy - (Rev. 10/17/92)

This Policy Is Valid Only If Schedule B Is Attached

EXHIBIT C

File No.: 0600051560

Policy No.: F51-1041291

SCHEDULE B - PART I

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

1. Water rights, claims or title to water.
 2. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof.
 3. General taxes for the year 2006, which are a lien, of which the first half is paid and the second half is due and payable on or before June 20, 2007 and not delinquent until after said date.
 4. General taxes which may be assessed and extended on any "subsequent" or "occupancy" tax roll for the tax year 2006 with respect to improvements completed during 2006, which may escape assessment of the regular tax roll; which are a lien not yet due or payable.
 5. Liens and assessments of the WILDER IRRIGATION DISTRICT, and the rights, powers and easements of said district as by law provided.
 6. Ditch, road and public utility easements as same may exist over said premises.
 7. Rights of way for ditches, tunnels, telephone and transmission lines constructed by authority of the United States, as granted to the United States under the provisions of Section 58-604 Idaho Code 1947.
 8. Terms and Conditions contained in a Right of Way Deed recorded October 13, 1993, as Instrument No. 9324518, of Official Records.
 9. Terms, conditions, provisions and obligations set forth in that certain Agreement for Pressurized Irrigation Systems with Restrictive Covenants Running with the Land for Construction by Developer between WILDER IRRIGATION DISTRICT and CLOUDCROFT, INC., recorded July 2, 2003, as Instrument No. 200340574, of Official Records.
 10. An easement for power lines and incidental purposes in favor of IDAHO POWER COMPANY, recorded October 7, 2003, as Instrument No. 200362426, of Official Records.
 11. Easements, reservations, restrictions and dedications, if any, as shown on the official plat of said subdivision.
- (continued)

NOTE: Unless Schedule B Part II is attached there are no subordinate matters that affect the title to the estate or interest referred to in Schedule A.

SCHEDULE B - PART I (continued)

EXCEPTIONS (continued)

12. Protective Covenants, Conditions, Restrictions and/or Easements, and other matters imposed by instrument recorded April 5, 2004, as Instrument No. 200418044, of Official Records.

This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin as provided in 42 U.S.C. Section 3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Section 3607, or (c) relates to a handicap, but does not discriminate against handicapped people.

Amended by instrument recorded April 8, 2004, as Instrument No. 200418746, of Official Records.

Amended by instrument recorded May 5, 2004, as Instrument No. 200424153, of Official Records.

13. Liens, Levies and Assessments, if any, of RIVER BEND ESTATES HOMEOWNERS' ASSOCIATION as provided for in instrument recorded April 5, 2004, as Instrument No. 200418044, of Official Records and in any amendments or supplements thereto. All assessments are paid current.
14. Matters as disclosed by Record of Survey, recorded September 20, 2005 as Instrument No. 200559258, of Official Records.
15. Any adverse claim based upon the assertion that:
 - A. Said land or any part thereof is now or at any time has been below the ordinary high water mark of the A.B.C. Snake River.
 - B. Some portion of said land has been created by artificial means or has accreted to such portion so created.
 - C. Some portion of said land has been brought within the boundaries thereof by an avulsive movement of the A.B.C. Snake River, or has been formed by accretion to such portion so created.
16. Rights, if any, of the United States Government, the State of Idaho, and any other governmental entity, riparian owners, the public or private persons existing in, or with respect to, the present and past bed, banks, bottomland and waters of Snake River. Rights or claims of parties in possession not shown of record.

File No.: 0600051560

Policy No.: F51-1041291

SCHEDULE B - PART II

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that such matters are subordinate to the lien or charge of the insured mortgage upon said estate or interest:

1. A Deed of Trust (with Second Home Rider attached) to secure an indebtedness of \$42,200.00, and any other amounts as therein provided.
Recorded: November 14, 2006, as Instrument No. 200690999, of Official Records
Dated: November 10, 2006
Grantor: JULIE G. BARNSON, an unmarried woman
Trustee: TRANSNATION TITLE
Beneficiary: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS"), solely as nominee for Lender and Lender's successors and assigns; Lender is HOMECOMINGS FINANCIAL, LLC (f/k/a HOMECOMINGS FINANCIAL NETWORK, INC.)

American Land Title Association Loan Policy
Schedule B - Part II

Issued with Policy
No.:

POLICY FOR TITLE INSURANCE

SCHEDULE A

Amount of Insurance: \$42,200.00

Policy No.: F51-1041292

File No.: a600051560

Date of Policy: November 14, 2006 at 4:20 p.m.

1. Name of Insured:

HOMECOMINGS FINANCIAL, LLC (f/k/a HOMECOMINGS FINANCIAL NETWORK, INC.), appearing of record as MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS"), solely as nominee for Lender and Lender's successors and assigns

2. The estate or interest in the land described in this Schedule and which is encumbered by the insured mortgage is fee simple

3. Title to the estate or interest in the land is vested in:

JULIE G. BARNSON, an unmarried woman

4. The mortgage, herein referred to as the insured mortgage, and the assignments thereof, if any, are described as follows:

A Deed of Trust (with Second Home Rider attached) to secure an indebtedness of \$42,200.00, and any other amounts as therein provided.

Recorded: November 14, 2006, as Instrument No. 200690999, of Official Records

Dated: November 10, 2006

Grantor: JULIE G. BARNSON, an unmarried woman

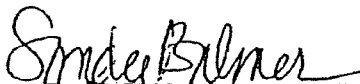
Trustee: TRANSNATION TITLE

Beneficiary: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS"), solely as nominee for Lender and Lender's successors and assigns; Lender is HOMECOMINGS FINANCIAL, LLC (f/k/a HOMECOMINGS FINANCIAL NETWORK, INC.)

5. The land referred to in this policy is described as set forth in the insured mortgage, is situated in the County of Canyon, State of Idaho, and is identified as follows:

Lot 4 in Block 1 of RIVERBEND SUBDIVISION, Canyon County, Idaho, according to the official plat thereof, filed in Book 34 of Plats at Page 2, records of said County.

Countersigned:



Authorized Officer or Agent

Sandee Balmer

American Land Title Association Loan Policy - (Rev. 10/17/92)

This Policy Is Valid Only If Schedule B Is Attached

EXHIBIT D

HomeC00081

File No.: a600051560

Policy No.: F51-1041292

SCHEDULE B - PART I

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

GENERAL (STANDARD) EXCEPTIONS

1. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession, or claiming to be in possession, thereof.
2. Easements, liens, encumbrances, or claims thereof, which are not shown by the public records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land, and that is not shown by the public records.
4. Any lien, or right to a lien, imposed by the law for services, labor, or material heretofore or hereafter furnished, which lien, or right to a lien, is not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) Indian treaty or aboriginal rights, including, but not limited to, easements or equitable servitudes; or, (d) water rights, claims or title to water, whether or not the matters excepted under (a), (b), (c) or (d) are shown by the public records.
6. Taxes or assessments which are not now payable or which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
7. Any service, installation, connection, maintenance or construction charges for sewer, water, electricity, or garbage collection or disposal or other utilities unless shown as an existing lien by the public records.

(continued)

NOTE: Unless Schedule B Part II is attached there are no subordinate matters that affect the title to the estate or interest referred to in Schedule A.

File No.: a600051560

Policy No.: F51-1041292

SCHEDULE B - PART I (continued)

EXCEPTIONS (continued)

SPECIAL EXCEPTIONS:

8. General taxes for the year 2006, which are a lien, of which the first half is paid and the second half is due and payable on or before June 20, 2007 and not delinquent until after said date.
9. General taxes which may be assessed and extended on any "subsequent" or "occupancy" tax roll for the tax year 2006 with respect to improvements completed during 2006, which may escape assessment of the regular tax roll; which are a lien not yet due or payable.
10. Liens and assessments of the WILDER IRRIGATION DISTRICT, and the rights, powers and easements of said district as by law provided.
11. Ditch, road and public utility easements as same may exist over said premises.
12. Rights of way for ditches, tunnels, telephone and transmission lines constructed by authority of the United States, as granted to the United States under the provisions of Section 58-604 Idaho Code 1947.
13. Terms and Conditions contained in a Right of Way Deed recorded October 13, 1993, as Instrument No. 9324518, of Official Records.
14. Terms, conditions, provisions and obligations set forth in that certain Agreement for Pressurized Irrigation Systems with Restrictive Covenants Running with the Land for Construction by Developer between WILDER IRRIGATION DISTRICT and CLOUDCROFT, INC., recorded July 2, 2003, as Instrument No. 200340574, of Official Records.
15. An easement for power lines and incidental purposes in favor of IDAHO POWER COMPANY, recorded October 7, 2003, as Instrument No. 200362426, of Official Records.
16. Easements, reservations, restrictions and dedications, if any, as shown on the official plat of said subdivision.

(continued)

SCHEDULE B - PART I (continued)

EXCEPTIONS (continued)

17. Protective Covenants, Conditions, Restrictions and/or Easements, and other matters imposed by instrument recorded April 5, 2004, as Instrument No. 200418044, of Official Records.

This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin as provided in 42 U.S.C. Section 3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Section 3607, or (c) relates to a handicap, but does not discriminate against handicapped people.

Amended by instrument recorded April 8, 2004, as Instrument No. 200418746, of Official Records.

Amended by instrument recorded May 5, 2004, as Instrument No. 200424153, of Official Records.

18. Liens, Levies and Assessments, if any, of RIVER BEND ESTATES HOMEOWNERS' ASSOCIATION as provided for in instrument recorded April 5, 2004, as Instrument No. 200418044, of Official Records and in any amendments or supplements thereto. All assessments are paid current.
19. Matters as disclosed by Record of Survey, recorded September 20, 2005 as Instrument No. 200559258, of Official Records.
20. Any adverse claim based upon the assertion that:
- A. Said land or any part thereof is now or at any time has been below the ordinary high water mark of the A.B.C. Snake River.
 - B. Some portion of said land has been created by artificial means or has accreted to such portion so created.
 - C. Some portion of said land has been brought within the boundaries thereof by an avulsive movement of the A.B.C. Snake River, or has been formed by accretion to such portion so created.
21. Rights, if any, of the United States Government, the State of Idaho, and any other governmental entity, riparian owners, the public or private persons existing in, or with respect to, the present and past bed, banks, bottomland and waters of Snake River. Rights or claims of parties in possession not shown of record.

(continued)

File No.: a600051560

Policy No.: F51-1041292

SCHEDULE B - PART I (continued)

EXCEPTIONS (continued)

22. A Deed of Trust (with Adjustable Rate Rider and Second Home Rider attached) to secure an indebtedness of \$337,600.00, and any other amounts as therein provided.

Recorded: November 14, 2006, as Instrument No. 200690998, of Official Records

Dated: November 10, 2006

Grantor: JULIE G. BARNSON, an unmarried woman

Trustee: TRANSNATION TITLE

Beneficiary: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS"), solely as nominee for Lender and Lender's successors and assigns; Lender is HOMECOMINGS FINANCIAL, LLC (f/k/a HOMECOMINGS FINANCIAL NETWORK, INC.)

File No.: a600051560

Policy No.: F51-1041292

SCHEDULE B - PART II

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that such matters are subordinate to the lien or charge of the insured mortgage upon said estate or interest:

NONE

American Land Title Association Loan Policy
Schedule B - Part II

ADJUSTABLE RATE NOTE

Payment Option

THIS NOTE CONTAINS PROVISIONS THAT WILL CHANGE THE INTEREST RATE AND THE MONTHLY PAYMENT. THERE MAY BE A LIMIT ON THE AMOUNT THAT THE MONTHLY PAYMENT CAN INCREASE OR DECREASE. THE PRINCIPAL AMOUNT TO REPAY COULD BE GREATER THAN THE AMOUNT ORIGINALLY BORROWED, BUT NOT MORE THAN THE LIMIT STATED IN THIS NOTE.

NOVEMBER 10TH, 2006
[Date]

MERIDIAN
[City]

IDAHO
[State]

28123 SILO WAY, WILDER, ID 83676

[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 337,600.00 (this is called "Principal"), plus interest, to the order of Lender. The Principal amount may increase as provided in this Note. Lender is HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

I will make all payments under this Note in the form of cash, check or money order.

I understand that Lender may transfer this Note. Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

(A) Interest Rate

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will initially pay interest at a yearly rate of 1.0000 %. The interest rate I will pay may change.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 7(B) of this Note.

(B) Interest Rate Change Dates

The interest rate I will pay may change on the first day of JANUARY, 2007, and on that day every month thereafter. Each date on which my interest rate could change is called an "Interest Rate Change Date." The new rate of interest will become effective on each Interest Rate Change Date. Although the interest rate may change monthly, my monthly payment will be recalculated in accordance with Section 3.

(C) Interest Rate Limit

My interest rate will never be greater than 9.9500 %.

(D) Index

Beginning with the first Interest Rate Change Date, my adjustable interest rate will be based on an Index. The "Index" is the "Twelve-Month Average" of the annual yields on actively traded United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in the Federal Reserve Statistical Release entitled "Selected Interest Rates (h.15)" (the "Monthly Yields"). The Twelve Month Average is determined by adding together the Monthly Yields for the most recently available twelve months and dividing by 12. The most recent Index figure available as of the date 15 days before each Interest Rate Change Date is called the "Current Index."

PAYMENT OPTION MULTISTATE ADJUSTABLE RATE NOTE 10/05

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MFC05261 (04/2006) / 047-147810-1

VMP Mortgage Solutions, Inc.

Page 1 of 6

Initials: 

EXHIBIT E

256

HomeC00122

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(E) Calculation of Interest Rate Changes

Before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by adding **THREE AND ONE FOURTH** percentage point(s) (**3.2500** %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limit stated in Section 2(C) above, the result of this addition will be my new interest rate until the next Interest Rate Change Date.

3. PAYMENTS

(A) Time and Place of Payments

I will make a payment every month.

I will make my monthly payments on the first day of each month beginning on **JANUARY 1ST, 2007**

I will make these payments every month until I have paid all the Principal and interest and any other charges that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on **DECEMBER 1ST, 2036**, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at **1687 114TH AVE., SE, SUITE 100, BELLEVUE, WA 98004**

or
at a different place if required by the Note Holder.

(B) Minimum Payment; Amount of My Initial Monthly Payments

My "Minimum Payment" is the minimum amount the Note Holder will accept for my monthly payment, which the Note Holder will determine in accordance with this Section 3(B), or Section 3(D), 3(F) or 3(G), below, as applicable.

Each of my initial Minimum Payments will be in the amount of U.S. \$ **1,085.86** until a new Minimum Payment is required as provided below.

(C) Payment Change Dates

My Minimum Payment may change as required by Section 3(D) below beginning on the first day of **JANUARY, 2008**, and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My Minimum Payment also will change at any time Section 3(F) or 3(G) below requires me to pay a different amount.

I will pay at least the amount of my new Minimum Payment each month beginning on each Payment Change Date or as provided in Section 3(F) or 3(G) below.

(D) Calculation of Monthly Payment Changes

Before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Payment Change Date in full on the Maturity Date in substantially equal installments at the interest rate effective during the month preceding the Payment Change Date. The result of this calculation is called the "Full Payment."

Unless Section 3(F) or 3(G) below requires me to pay a different amount, my new Minimum Payment that will be effective on a Payment Change Date will be in the amount of the Full Payment, except that my new Minimum Payment will be limited to an amount that will not be more than 7.5% greater than the amount of my last Minimum Payment due before the Payment Change Date (this limitation is called the "Payment Change Cap"). The Payment Change Cap applies only to the Principal and interest payment and does not apply to any escrow payments the Note Holder may require under the Security Instrument (as defined in Section 11 of this Note, below).

(E) Additions to My Unpaid Principal

My monthly payment could be less than or greater than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid Principal I owe at the monthly payment date in full on the Maturity Date in substantially equal payments. For each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid Principal. The Note Holder also will add interest on the amount of this difference to my unpaid Principal each month. The interest rate on the interest added to Principal will be the rate required by Section 2 above. For each month that my monthly payment is greater than the interest portion, the Note Holder will apply the payment as provided in Section 3(A).

(F) Limit on My Unpaid Principal; Increased Monthly Payment

My unpaid Principal may never exceed a maximum amount equal to 115% of the Principal amount I originally borrowed. Because of my paying only limited monthly payments, the addition of unpaid interest to my unpaid Principal under Section 3(E) above could cause my unpaid Principal to exceed that maximum amount when interest rates increase. In that event, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment in an amount that would be sufficient to repay my then unpaid Principal in full on the Maturity Date in substantially equal installments at the interest rate effective during the preceding month, regardless of the Payment Change Cap. This amount will be my new Minimum Payment. This means that my Minimum Payment may change more frequently than annually. This new Minimum Payment amount will remain in effect until at least the next regular Payment Change Date, unless another recalculation of my Minimum Payment is required by this Section prior to such Payment Change Date.

(G) Required Full Payment

Regardless of the Payment Change Cap, on the TENTH Payment Change Date and on each succeeding fifth Payment Change Date thereafter, I will begin paying the Full Payment as my Minimum Payment until my monthly payment changes again. I also will begin paying at least the Full Payment as my Minimum Payment on the final Payment Change Date.

(H) Payment Options

After the first Interest Rate Change Date, each month the Note Holder may provide me with up to three additional payment options (in addition to the Minimum Payment) that are greater than the Minimum Payment, which are called "Payment Options." I may be given the following Payment Options:

- (i) Interest Only Payment: the amount that would pay the interest portion of the monthly payment at the current interest rate. The Principal balance will not be decreased by this Payment Option.
- (ii) Fully Amortized Payment: the amount necessary to pay the loan off (including all Principal and interest) at the Maturity Date in substantially equal installments. This Payment Option is calculated on the assumption that the current interest rate will remain in effect until the loan is paid in full, however, the current interest rate may in fact change every month.
- (iii) 15 Year Amortized Payment: the amount necessary to pay the loan off (including all Principal and interest) within a fifteen (15) year period from the first payment due date in substantially equal installments. This Payment Option is calculated on the assumption that the current rate will remain in effect until the loan is paid in full, however, the current interest rate may in fact change every month.

Payment Options will only be available if they are greater than the Minimum Payment.

(I) Failure to Make Adjustments

If for any reason the Note Holder fails to make an adjustment to the interest rate or payment amount as described in this Note, regardless of any notice requirement, I agree the Note Holder may, upon discovery of such failure, then make the adjustment as if they had been made on time. I also agree not to hold the Note Holder responsible for any damages to me that may result from the Note Holder's failure to make the adjustment and to let the Note Holder, at its option, apply any excess monies that I may have paid to partial Prepayment of unpaid Principal.

4. NOTICE OF CHANGES

The Note Holder will deliver or mail to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

5. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under this Note.

I may make a full Prepayment or partial Prepayments without paying any Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments after the first Payment Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

6. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

7. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charges for Overdue Payments

If the Note Holder has not received at least the full amount of any Minimum Payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.0000 % of my overdue Minimum Payment. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay at least the full amount of each Minimum Payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal that has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. These expenses include, for example, reasonable attorneys' fees.

8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Unless the Note Holder requires a different method, any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all the amounts owed under this Note.

10. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

11. SECURED NOTE

In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of these conditions read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

Julie G. Barnson (Seal) _____ (Seal)
JULIE G. BARNSON -Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

[Sign Original Only]

Without Recourse
Pay to the Order of

Yemane B. Mebrat
Yemane B. Mebrat
Assistant Secretary
Homecomings Financial, LLC
A Delaware Corporation

NOTE

NOVEMBER 10TH 2005 MERIDIAN Idaho
 Date City
 28123 SILO WAY WILDER ID 83676
 Property Address City State ZIP Code

1. DEFINITIONS

The headings at the beginning of each section are for convenience only and are not to be used in interpreting the text of the section. "I" means the terms that apply to this loan. "I," "me" or "my" means each Borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). The Lender is HOMEOWNERS FINANCIAL, LLC (FKA HOMEOWNERS FINANCIAL NETWORK, INC.)

2. BORROWER'S PROMISE TO PAY

For value received, I promise to pay to you, or your order, the PRINCIPAL sum of FORTY TWO THOUSAND TWO HUNDRED AND NO/100 Dollars \$ 42,200.00, plus interest. No additional advances are contemplated under this Note.

3. INTEREST

I agree to pay interest on the outstanding principal balance at the rate of 12.125% per year until the full amount of principal has been paid. Interest accrues on the principal remaining unpaid from time to time, until paid in full. The interest rate and other charges on this loan will never exceed the highest rate or charge allowed by law for this loan.

ACCRUAL METHOD: Interest will be calculated on a 30/360 basis. For interest calculation, the accrual method will determine the number of days in a year. If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

4. PAYMENTS

I agree to pay this note in monthly payments. I will make my monthly payment on the FIRST day of each month beginning on JANUARY 1ST, 2007. The monthly payment will be \$ 439.77. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this note or until my balloon payment is due, if a balloon payment is indicated below. Unless otherwise required by law, each payment I make on this loan will be applied first to any charges I owe other than principal and interest, then to interest that is due, and finally to principal. The final payment of the entire unpaid balance of principal and interest will be due DECEMBER 1ST, 2021, which is called the "Maturity Date."

The actual amount of my final payment will depend on my payment record. If any payment due under this loan does not equal or exceed the amount of interest due, you may, at your option, increase the amount of the payment due and all future payments to an amount that will pay off this loan in equal payments over the remaining term of this loan, subject to any balloon payment indicated below.

I will make my monthly payments at P.O. BOX 808024, PETALUMA, CA 94954 or at a different place if required by you.

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell you in writing that I am doing so. I may make a full prepayment or partial prepayments without paying any prepayment penalty. You will use all of my prepayments to reduce the amount of principal that I owe under this note. I must still make each later payment in the original amount as it becomes due until this note is paid in full.

☒ BALLOON PAYMENT. If any scheduled payment of a consumer loan (other than one primarily for an agricultural purpose or one secured by a first lien on real property) is more than twice as large as the average of earlier scheduled payments, I have the right to refinance that payment without penalty at the time it is due, and on terms no less favorable than this original transaction. This right does not apply: (1) to the extent that the payment schedule has been adjusted to my seasonal or irregular income or obligations; (2) if the collateral is a second deed of trust or mortgage on a 1 to 4 family dwelling occupied by me; (3) at the time of the balloon payment you offer me the other options required by rule of the Administrator of the Idaho Credit Code; or (4) this transaction qualifies as an alternative mortgage transaction under federal law.

LATE CHARGE: I agree to pay a late charge on the portion of any payment made more than 15 calendar days after it is due equal to 5% of the unpaid amount, or \$15.00, whichever is greater. I will pay this late charge only once on each late payment. No late charge will be assessed on any payment when the only delinquency is due to late fees assessed on earlier payments and the payment is otherwise a full payment.

5. SECURITY

My obligations under this note are separately secured by a Deed of Trust dated the same date as this note. Any present or future agreement securing any other debt I owe you also will secure the payment of this loan. However, property securing another debt will not secure this loan if such property is: (1) my principal dwelling and you fail to provide any required notice of right of rescission; (2) household goods; (3) land and the principal amount of this loan is one thousand dollars or less; or (4) real property that you have a secured interest in by first mortgage or first deed of trust.

6. **APPLICABLE LAW:** This note and any agreement securing this note will be governed by the laws of the state of Idaho. The fact that any part of this note cannot be enforced will not affect the rest of this note. Any change to this note or any agreement securing this note must be in writing and signed by you and me.

7. **COMMISSIONS:** I understand and agree that you (or your affiliate) will earn commissions or fees on any insurance products, and may earn such fees on other services, that I buy through you or your affiliate.

8. **PAYMENTS BY LENDER:** If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

9. **REAL ESTATE OR RESIDENCE SECURITY:** If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by this agreement.

10. **ASSUMPTION:** This note and any document securing it cannot be assumed by someone buying the secured property from me. This will be true unless you agree in writing to the contrary. Without such an agreement, if I try to transfer any interest in the property securing this note, I will be in default on this loan. You may proceed against me under any due on sale clause in the security agreement, which is incorporated by reference.

11. **DEFAULT:** Subject to any limitations in the "REAL ESTATE OR RESIDENCE SECURITY" paragraph above, I will be in default on this note if any of the following occur:

- (1) I fail to make a payment as required by this loan; or
- (2) You believe that the prospect of receiving payment or performance from me or of realizing on the Property is significantly impaired.

12. **REMEDIES:** Subject to the limitations of any applicable right to cure and any limitations in the "REAL ESTATE OR RESIDENCE SECURITY" paragraph above, if I am in default on this loan or any agreement securing this loan, you may:

- (1) Make unpaid principal, earned interest and all other agreed charges I owe you under this loan immediately due;
- (2) Demand more security or new parties obligated to pay this loan (or both) in return for not using any other remedy;
- (3) Make a claim for any and all insurance benefits or refunds that may be available on my default;
- (4) Use any remedy you have under state or federal law; and
- (5) Use any remedy given to you in any agreement securing this loan.

By choosing any one or more of these remedies you do not give up your right to use another remedy later. By deciding not to use any remedy should I be in default, you do not give up your right to consider the event a default if it happens again.

13. **COLLECTION COSTS AND ATTORNEY'S FEES:** I agree to pay you all reasonable costs you incur to collect this debt or realize on any security. Unless prohibited by law, this includes reasonable attorney's fees you incur after my default, provided the attorney is not your salaried employee. This provision also shall apply if I file a petition or any other claim for relief under any bankruptcy rule or law of the United States, or if such petition or other claim for relief is filed against me by another.

14. **WAIVER:** I waive (to the extent permitted by law) demand, presentment, protest, notice of dishonor and notice of protest.

15. **OBLIGATIONS INDEPENDENT:** I understand that my obligation to pay all of the amounts owed under this loan is independent of the obligation of any other person who has also agreed to pay it. You may, without notice, release me or any of us, give up any right you may have against any of us, extend new credit to any of us, or renew or change this note one or more times and for any term, and I will still be obligated to pay this loan. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.

16. **CREDIT INFORMATION:** I agree that from time to time you may receive credit information about me from others, including other lenders and credit reporting agencies. I agree that you may furnish on a regular basis credit and experience information regarding my loan to others seeking such information. To the extent permitted by law, I agree that you will not be liable for any claim arising from the use of information provided to you by others or for providing such information to others. I will give you any financial statements or information that you feel is necessary. All financial statements and information I give you will be correct and complete.

17. **PURCHASE MONEY LOAN:** If this is a purchase money loan, you may include the name of the seller on the check or draft for this loan.

18. **RETURNED CHECK CHARGE:** If any payment on this note is made with a check that is returned or dishonored, I agree to pay you a \$20.00 fee.

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE. I have received a copy of this note.


Date JULIE G. BARNSON

-Borrower

11-13-04
Date

-Borrower

Date

-Borrower

Date

-Borrower

(Sign Original Only)

MPID6039 - (12/02) / 047-168888-2
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(page 2 of 2)

NOTICE OF TRUSTEE'S SALE

T.S. No.: ID-167373-C
Loan No.: 7471476101
A.P.N.: R37214103-0

NOTICE IS HEREBY GIVEN that, FIRST AMERICAN TITLE INSURANCE COMPANY the duly appointed Successor Trustee, will on 7/9/2009 at 11:00 AM (recognized local time), in the office of Pioneer Title Company located at 610 So. Kimbal, Caldwell, ID 83605-0610, will sell at public auction, to the highest bidder, for cash, in lawful money of the United States, all payable at the time of sale, the following described real property and personal property, situated in the County of Canyon, State of Idaho, and described as follows: LOT 4 IN BLOCK 1 OF RIVERBEND SUBDIVISION, CANYON COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK 34 OF PLATS, AT PAGE 2, RECORDS OF SAID COUNTY.

The Trustee has no knowledge of a more particular description of the above referenced real property, but for purposes of compliance with Section 60-113 Idaho Code, the Trustee has been informed that the address sometimes associated with said real property is: 28123 SILO WAY WILDER, ID 83676

Said sale will be made without covenant or warranty regarding title, possession or encumbrances to satisfy the obligation secured by and pursuant to the power of sale conferred in the Deed of Trust executed by JULIE G. BARNSON, AN UNMARRIED WOMAN, as grantors, to TRANSNATION TITLE, as Trustee, for the benefit and security of MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS") AS NOMINEE FOR HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.), as Beneficiary, dated 11/10/2006, recorded 11/14/2006, as Instrument No. 200690998 and re-recorded, records of Canyon County, Idaho, the beneficial interest in which is presently held by MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC..

THE ABOVE GRANTORS ARE NAMED TO COMPLY WITH SECTION 45-1506(4)(A), IDAHO CODE. NO REPRESENTATION IS MADE THAT THEY ARE, OR ARE NOT, PRESENTLY RESPONSIBLE FOR THIS OBLIGATION.

The Default for which this sale is to be made is the failure to pay when due, under Deed of Trust and Note dated 11/10/2006. The monthly payments for Principal, Interest and Impounds (if applicable) of 1421.94, due per month from 1/1/2007 through 7/9/2009, and all subsequent payments until the date of sale or reinstatement. The principal balance owing as of this date on the obligation secured by said Deed of Trust is \$337,600.00, plus accrued interest at the rate of 1.00% per annum from 12/1/2006.



EXHIBIT G

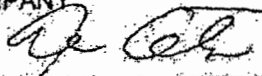
NOTICE OF TRUSTEE'S SALE

T.S. No.: ID -167373-C
Loan No.: 7471476101
A.P.N.: R37214103 0

All delinquent amounts are now due, together with accruing late charges, and interest, unpaid and accruing taxes, assessments, trustee's fees, attorney's fees, and any amounts advanced to protect the security associated with this foreclosure. The Beneficiary elects to sell or cause the trust property to be sold to satisfy said obligation.

Dated: 3/4/2009

FIRST AMERICAN TITLE INSURANCE
COMPANY



Dee Ortega, authorized signatory
C/O Executive Trustee Services, LLC
2255 North Ontario Street, Suite 400 Burbank,
California 91504-3120
Sale Line: (714) 730-2727

200808945

Recording Requested By:

And When Recorded Mail To:
Executive Trustee Services, LLC
2255 North Ontario Street, Suite 400
Burbank, California 91504-3120

Loan No.: 7471476101
T.S. No.: ID-167373-C
APN: R37214103 0

REQUEST
TYPE Doc FEE 0.00

PIONEER TITLE COMPANY

WILLIAM H. HURST
CANYON CNTY RECORDER
BY SMa - Brown

2009 JUL 20 PM 1 57

RECORDED

2009036841

TRUSTEE'S DEED

FIRST AMERICAN TITLE INSURANCE COMPANY (herein called Trustee) as Successor Trustee under the Deed of Trust hereinafter particularly described, does hereby Bargain, Sell and Convey, without warranty, to RESIDENTIAL FUNDING REAL ESTATE HOLDINGS, LLC, herein called Grantee whose current address is: c/o GMAC Mortgage Corporation, 500 Enterprise Road, Suite 150, Horsham, PA 19044 all of the real property situated in the County of Canyon, state of Idaho described as follows:

LOT 4 IN BLOCK 1 OF RIVERBEND SUBDIVISION, CANYON COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK 34 OF PLATS, AT PAGE 2, RECORDS OF SAID COUNTY.

This conveyance is made pursuant to the powers conferred upon Trustee by the Deed of Trust between JULIE G. BARNSON, AN UNMARRIED WOMAN, as Grantor, and TRANSNATION TITLE, as Trustee, and MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., ("MERS") AS NOMINEE FOR HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.), as Beneficiary, dated 11/10/2006, recorded 11/14/2006, as instrument No. 200690998, Book Page , and re-recorded , mortgage records of Canyon County, Idaho, and after the fulfillment of the conditions specified in said Deed of Trust authorizing this conveyance as follows:

(1). Default occurred in the obligations for which such deed of trust was given as security and the beneficiary made demand upon the said trustee to sell property pursuant to the terms of said deed of trust. Notice of Default was recorded 2/26/2009, as Instrument No. 2009-009415, Book Page , mortgage records of Canyon County, Idaho and in the office of each County in which the property described in said deed of trust, or any part thereof, is situated, the nature of such default being as set forth in said Notice of Default. Such default still existed at the time of sale.

(2). After recording of said Notice of Default, trustee gave notice of the time and place of the sale of said property by registered or certified mail, by personal service upon the occupants of said premises and by publishing in a conspicuous place on said premises and by publishing in a newspaper of general circulation in each of the counties in which the property is situated as more fully appears in affidavits recorded at least 20 days prior to the date of sale as Instrument No. 2009029759, Instrument No. 2009029760, and Instrument No. 2009029761 Mortgage records of Canyon County, Idaho.

EXHIBIT H

ID-167373-C
7471476101

(3). The provisions, recitals and contents of the Notice of Default referred to in paragraph (1) supra and of the Affidavits referred to in paragraph (2) supra shall be and they are hereby incorporated herein and made an integral part hereof for all purposes as though set forth herein at length.

(4). All requirements of law regarding the mailing, personal service, posting, publication and recording of the notice of default, and Notice of Sale and for all other notices have been complied with.

(5). Not less than 120 days elapsed between the giving of Notice of Sale by registered or certified mail and the sale of the property.

(6). Trustee, at the time and place of sale fixed by said Notice, at public auction, in one parcel, struck off to Grantee, being the highest bidder thereof, the property herein described for the sum of \$199,556.36, subject however to all prior liens and encumbrances. No person or corporation offered to take any part of said property less than the whole thereof for the amount of principal, interest, and advanced costs.

Dated: 7/9/2009

FIRST AMERICAN TITLE INSURANCE COMPANY

MARIA DELATORRE, ASST SEC

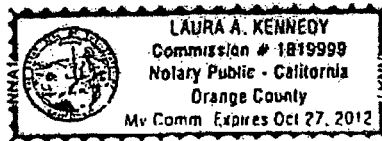
State of CA) ss.
County of Orange)

On 7/9/09 before me, Laura A. Kennedy, a Notary Public personally appeared, MARIA DE LA TORRE who proved to me on the basis of satisfactory evidence to the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SIGNATURE ✓



SUMMARY OF SALIENT FEATURES

Subject Address	Lot 4 Block 1 Riverbend Estates
Legal Description	Lot 4 Block 1 Riverbend Subdivision
City	Wilder
County	Canyon
State	Id.
Zip Code	83676
Census Tract	N/A.
Map Reference	Big Maps P48 A/1
Sale Price	\$ N/A
Date of Sale	N/A
Borrower/Client	Julie G. Barnson
Lender	CUSTOM MORTGAGE LLC
Size (Square Feet)	2,784
Price per Square Foot	\$
Location	Suburban
Age	0
Condition	New
Total Rooms	11.5
Bedrooms	4
Baths	2.5
Appraiser	David W. Turley
Date of Appraised Value	March 31, 2006
Final Estimate of Value	\$ 422,000

SM/SDR007N

Fannie Mae Form 1004 March 2005

Uniform Residential Appraisal Report

File # S06007N

There are 2 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 489,000 to \$ 509,000				
There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 399,900 to \$ 454,500				
FEATURE	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Address	Lot 4 Block 1 Riverbend Estates Wiskey, Ind. 46076	14369 Midway Indianapolis, IN 46204	15376 Reminiscent Dr Carmel, IN 46204	19647 Sandy Beach Ct Wishart, IN 46228
Property ID Subject	1847	1847	1847	1847
Sale Price	\$ 444,500	\$ 405,900	\$ 399,900	
Sale Price/Gross Acre	\$ 142.92	\$ 130.94	\$ 137.20	
Days Between	184	184	184	
Verification Source(s)	Drive By Inspection	Drive By Inspection	Drive By Inspection	
VALUE ADJUSTMENTS	DESCRIPTION	ADJUSTMENT	DESCRIPTION	ADJUSTMENT
Style or Financing	Conventional		Conventional	
Condition	None Known		None Known	
Date of Sale/Time	3/16/2006		3/16/2006	
Location	Suburban		Suburban	
Unimproved/Improve	Fee Simple		Fee Simple	
Size	1.0 Acre		2.17 Acre	
View	Golf Course	+5,000	Neighborhood	+5,000
Design/Style	2 Story		1 Story/Bonus	
Quality of Construction	Average		Average	
Actual Age	0		0	
Condition	New		New	
Altogether, Grade	Total Bldg. Bklt		Total Bldg. Bklt	
Point Count	11.6 4 2.5		10 4 3	
Gross Living Area	2,784 sq.ft.		3,100 sq.ft.	
Basement & Finished	0		None	
Basement & Unfinished	None		None	
Functional Utility	Average		Average	
Heating/Cooling	Gas FA/Ctrl		Gas FA/Ctrl	
Energy Efficient Items	Average		Average	
Garage/Carport	3 Car Gar		4 Car Gar	
Partial/Attached	Partial/Attached		Partial	
Garage	Auto/Full		None	
Partial	Partial		None	
Net Adjustment (Total)		-3,820		720
Adjusted Sale Price		468,580		406,580
Of Comparable		468,580		406,580

☒ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

On Source(s) ☒ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

On Source(s) ☒ MLS

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales. Report additional prior sales on page 3.

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	4/7/2006	None Other Than As	None Other Than As	None Other Than As
Prior Sale/Transfer	Warranty Deed	Noted Above	Noted Above	Noted Above
Date of Data Source(s)	11/7/2005	3/3/2006	3/31/2006	3/31/2006

Analysis of prior sale or transfer history of the subject property and comparable sales According to the Warranty deed the subject lot was sold April 7, 2006 to the current owner of public record. According to the MLS none of the comparables have transferred within the last 12 months.

Summary of Sales Comparison Approach Sales comparison approach shows that each comparable property would substitute well for the subject in the subject market place. It also shows that according to the MLS none of the comparables have transferred (ds) within the last 12 months. Also, according to the Warranty Deed the subject lot transferred title on April 8, 2004 to the current owner of public record.

Indicated Value by Sales Comparison Approach \$ 422,000

Indicated Value by Sales Comparison Approach \$ 422,000 **Cost Approach (if developed)** \$ 358,652 **Income Approach (if developed)** \$

Most Consideration Was Given To The Method Approach As It Best Reflects The Actions Of Informed Buyers And Sellers On The Open Market. This Is Supported By The Cost Approach. The Income Approach Is Not Applicable As Most Of The Properties In The Area Are Owner Occupied.

This appraisal is made ☐ "as is" ☒ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. The Subject Property Was

Assumed Subject To Completion Per Plans and Specs Without Need Of Repairs Or Remodeling.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 422,000 as of March 31, 2006, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

Page 7 of 7
Page ID #: 506007 M

Provide adequate information for the broker/buyer to replicate the broker cost figures and calculations. Support for the opinion of value value (statement of comparable land sales or other methods for obtaining this value). Tax Records/Sales Agreement	
ESTIMATES <input type="checkbox"/> REPRODUCTION <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE
General cost data Local Builder Information	CHINA LINE 2,784 Sq.Ft. @ \$ 85.00 - \$ 236,640
Quality rating both cost methods. Avoid. Effective date of cost data 3/31/2005	0 Sq.Ft. @ \$ - \$
Comments on Cost Approach (gross being as an calculation, depreciation, etc.)	- \$
Other Attached Details For Observations	Garage/Carport 824 Sq.Ft. @ \$ 18.00 - \$ 14,832
Grand Adjustment When Obtained Project Local	Total Estimate of Cost-New - \$ 251,472
Building Information Local Value Water Obtained	Less Physical Functional External
By This Estimation Method, Estimated Land To Improvement Ratio is	Depreciation - \$
Typical For The Subject's Area	Depreciating Cost of Improvements - \$ 252,560
Estimated Preliminary Estimate (Use PMD and VA Only)	Net Value of Site Improvements - \$ 8,000
(10 Year)	Land Acquisition
Estimated Monthly Mortgage \$ 2,000	DEPRECIATING VALUE BY COST APPROACH - \$ 258,562
Estimated Monthly Mortgage \$ 2,000	Estimated Value by Income Approach
Summary of Income Approach (including support for market rent and selling)	
Is the developer/builder in control of the Homeowners' Association (HOA)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (not applicable) <input checked="" type="checkbox"/> Detached <input type="checkbox"/> Attached	
Provide the following information for PUOS ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.	
Under Name of Project	
Total number of phases	Total number of units
Total number of units	Total number of units sold (approximate)
When the project started by the conversion of existing building(s) into a PUOS? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion	Obtain the project obtain any multi-uniting units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source
Keep the units, common elements, and decision facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion	Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options
Describe common elements and recreational facilities	

Uniform Residential Appraisal Report

File # S06007N

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit, including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report

File # S06007N

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Uniform Residential Appraisal Report

File # S06007N

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER David Turley
 Signature David W. Turley
 Name David W. Turley
 Company Name Turley Appraisal Service
 Company Address 6200 Metker Ste 300
Boise, Idaho 83713
 Telephone Number 208-658-6600
 Email Address Turleyappraisal@CableOne.net
 Date of Signature and Report November 08, 2006
 Effective Date of Appraisal March 31, 2006
 State Certification # _____
 or State License # LRA-390
 or Other (describe) _____ State # _____
 State Idaho
 Expiration Date of Certification or License 11/16/2006

ADDRESS OF PROPERTY APPRAISED
Lot 4 Block 1 Riverbend Estates
Wilder, Id. 83676

APPRAISED VALUE OF SUBJECT PROPERTY \$ 422,000

LENDER/CLIENT

Name Pam Hansen
 Company Name CUSTOM MORTGAGE LLC
 Company Address 460 S. FITNESS PLACE, EAGLE, ID. 83616
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
 Date of Inspection _____
☐ Did inspect interior and exterior of subject property
 Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
 Date of Inspection _____

Supplemental Addendum

File No. S06007N

Broker/Client	Julie G Barison						
Property Address	Lot 4 Block 1 Riverbend Estates						
City	Wilder	County	Canyon	State	Id.	Zip Code	83676
Lender	CUSTOM MORTGAGE LLC						

ADDITIONAL SUBJECT COMMENTS: THE SUBJECT PROPERTY IS A 2 STORY SINGLE FAMILY RESIDENCE LOCATED IN A SUBDIVISION WITH SIMILAR STYLE AND AGE DWELLINGS. THE SUBJECT PROPERTY HAS A COVERED PORCH AT THE ENTRY AND A PATIO AT THE REAR OF THE DWELLING. THERE IS A FIREPLACE IN THE FAMILY ROOM. THE KITCHEN HAS NATURAL STAINED CABINETS WITH TILE/ GRANITE COUNTER TOPS AND TILE BACKSPASHES. THERE IS A PANTRY IN THE KITCHEN. THERE IS A SLIDING GLASS DOOR FROM THE NOOK AREA TO THE PATIO AND FROM THE MAIN BEDROOM TO THE PATIO. THE MAIN BEDROOM HAS SLIGHTLY VAULTED CEILINGS AND THERE ARE CEILING FANS IN THE GREAT ROOM AND MAIN BEDROOM. THE BONUS ROOM ON THE UPPER LEVEL IS UNFINISHED PER PLAN DESCRIPTION.

SALES COMPARABLE COMMENTS: A SEARCH OF THE SUBJECT PROPERTY NEIGHBORHOOD WAS CONDUCTED TO LOCATE DWELLINGS WITH SIMILAR AMENITIES, HOWEVER DUE TO THE LACK OF COMPARABLES CLOSE TO THE SUBJECT THE APPRAISER NEEDED TO FIND COMPARABLES AT A FURTHER DISTANCE. ALL OF THE COMPARABLES WOULD SUBSTITUTE WELL FOR THE SUBJECT PROPERTY BY INFORMED BUYERS ON THE OPEN MARKET. SOME ADJUSTMENTS WERE WARRANTED. THOSE THAT WERE ARE AS FOLLOWS: THE SITE VALUES WERE SIMILAR THEREFORE NO ADJUSTMENTS WERE WARRANTED, BATHROOMS WERE VALUED AT \$2,000 DUE TO THE COST OF LABOR AND MATERIALS, SQUARE FOOTAGE DIFFERENCES WERE CALCULATED AT \$20 / SQ FT. FOR ABOVE GRADE, GARAGE SPACES WERE VALUED AT \$2,000 EACH IN THE MARKETPLACE, A PATIO WAS VALUED AT \$1,000, A COVERED PORCH WAS VALUED AT \$2,000, A SPRINKLER SYSTEM WAS VALUED AT \$2,000 PER COST OF MATERIALS AND LABOR AND A FENCE AT \$1,000. ALSO, THE SUBJECTS VIEW OF THE GOLF COURSE WAS GIVEN A GREATER VALUE BY \$5,000 ACCORDING TO REACTIONS OF THE MARKET.

EXTRAORDINARY ASSUMPTIONS: THE APPRAISER WAS UNABLE TO VIEW THE INTERIOR OF THE COMPARABLES. THEY WERE CHOSEN BASED ON THE COMMENTS PROVIDED BY THE REALTORS ON THE LISTING SHEETS. ALL INFORMATION IS AS PER THE MLS NUMBERS LISTED ON PAGE TWO OF THE URAR. THE APPRAISER MAKES THE EXTRAORDINARY ASSUMPTION THAT SIMILAR QUALITY AND CONSTRUCTION WAS EMPLOYED IN THE COMPARABLES AS IN THE SUBJECT.

SALES COMPARABLE #1 HAS MORE SQUARE FOOTAGE AND 1/2 MORE OF A BATHROOM, HOWEVER, IT HAS A BETTER VIEW. THE ADJUSTMENTS WERE NET 0.9% AND GROSS 3.1%. THE LIST PRICE WAS \$485,000 AND THE SALE PRICE WAS \$454,500. THE MARKET TIME WAS APPROXIMATELY 66 DAYS. THE SALES AGENT WAS YVETTE BUTUK AT HERITAGE REALTY.

SALES COMPARABLE #2 HAS MORE SQUARE FOOTAGE, 1/2 MORE OF A BATHROOM AND 1 CAR MORE OF A GARAGE, HOWEVER, IT DOES NOT HAVE A COMPARABLE VIEW, COVERED PATIO OR SPRINKLERS. THE ADJUSTMENTS WERE NET 0.1% AND GROSS 4.5%. THE LIST PRICE WAS \$415,900 AND THE SALE PRICE WAS \$405,900. THE MARKET TIME WAS APPROXIMATELY 44 DAYS. THE SALES AGENT WAS JEFFREY CHRISTIANSON AT REMAX CAPITAL CITY MAIN.

SALES COMPARABLE #3 HAS MORE SQUARE FOOTAGE AND 1 FULL BATHROOM MORE, HOWEVER, IT DID NOT HAVE A VIEW, COVERED PATIO OR FULL SPRINKLER SYSTEM. THE ADJUSTMENTS WERE NET 0.2% AND GROSS 3.8%. THE LIST PRICE WAS \$399,900 AND THE SALE PRICE WAS \$399,900. THE MARKET TIME WAS APPROXIMATELY 70 DAYS. THE SALES AGENT WAS JEFF DILDINE AT REALTY ONE-CENTER OF BOISE.

SALES COMPARABLE #4 HAS MORE SQUARE FOOTAGE AND A FULLY FENCED YARD. HOWEVER, ITS VIEW WAS NOT COMPARABLE. THE ADJUSTMENTS WERE NET 2.6% AND GROSS 4.9%. THE LIST PRICE WAS \$450,000 AND THE SALE PRICE WAS \$440,000. THE MARKET TIME WAS APPROXIMATELY 50 DAYS. THE SALES AGENT WAS ANNETTE WIESE AT CENTURY 21 1ST PLACE -MAIN.

PROFESSIONAL ASSISTANCE WAS PROVIDED BY NICHOLAS HILTON.

THERE WAS A LOT SALES CONTRACT TO CONSIDER WITH THIS APPRAISAL. THE SALES COMPARISON APPROACH TO VALUE WAS GIVEN THE MOST WEIGHT, SINCE IT MOST ACCURATELY REFLECTS THE ACTIONS OF INFORMED BUYERS AND SELLERS ON THE OPEN MARKET. THE ADJUSTED RANGE OF VALUE OF THE SALES COMPARABLES USED IS BETWEEN \$400,820 AND \$450,580. BASED ON THE COMPARABLES USED AND THE CONDITION OF THE SUBJECT PROPERTY AN OPINION OF VALUE IN THE MID RANGE OF VALUE IS WARRANTED. THEREFORE THE FINAL OPINION OF VALUE AS OF APRIL 3, 2006 IS CONCLUDED TO BE \$422,000.00.

Signature David W. Turley
 Name David W. Turley
 Date Signed November 08, 2006
 State Certification # _____ State _____
 Or State License # LRA-390 State Idaho

Signature _____
 Name _____
 Date Signed _____
 State Certification # _____ State _____
 Or State License # _____ State _____

Legal

Borrower/Client	Julie G Barrison					
Property Address	Lot 4 Block 1 Riverbend Estates					
City	Wilder	County	Canyon	State	Id.	Zip Code 83676
Lender	CUSTOM MORTGAGE LLC					

03/30/2006 10:17 FAX 208 454 8218 03/30/2006

MOBILE ACTION: PRESS (01 RETURN) TO VIEW ANOTHER ACCOUNT TR000101

System: CASH- FINDER Date: 03/30/2006 Time: 15:11

REAL PROPERTY INQUIRY

01 5R37214-103 -0 025-00 SCH133	15	58,000	1.00
GLAUCOCROFT INC	5A	800	.05

18981 BISH RD
WILDER ID 83676
29-ANSEN SE RIVERBEND SUB
LT 4 BEX 1

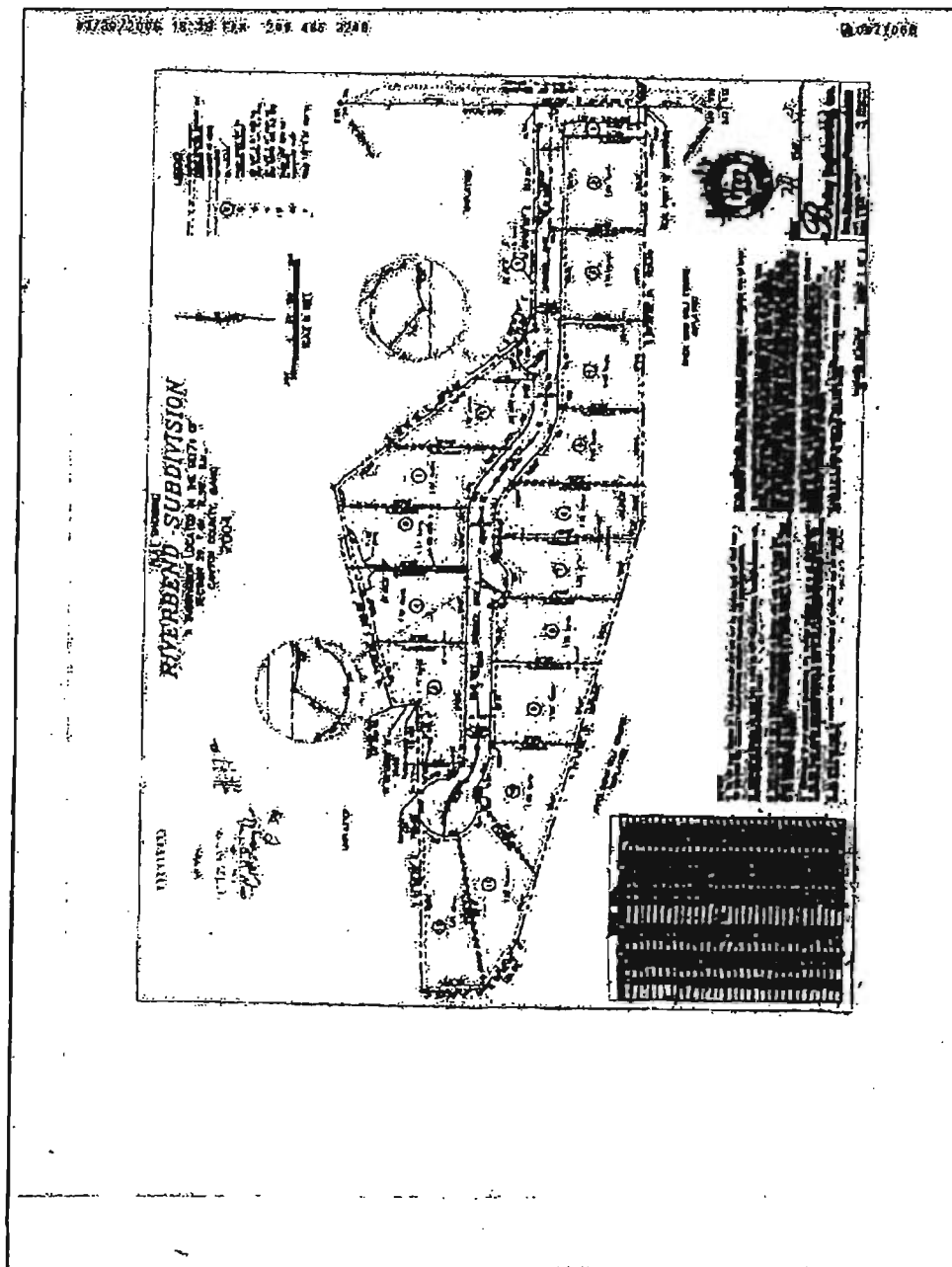
SILCO WAY, WI

TOTAL 58,800 1.05

SURVEY 200115415 INSET 984875A
DRAIN OR VALUE APPR: HKB
CLASS REAP: 04: MAN UNIT 0
PARCEL: 5R074790010040 H/O M C/E S
PRIOR ACCOUNT 5R37214-103 -0
02: MH ON Property NO
03: TRAISE DE COMPLETION SHEET

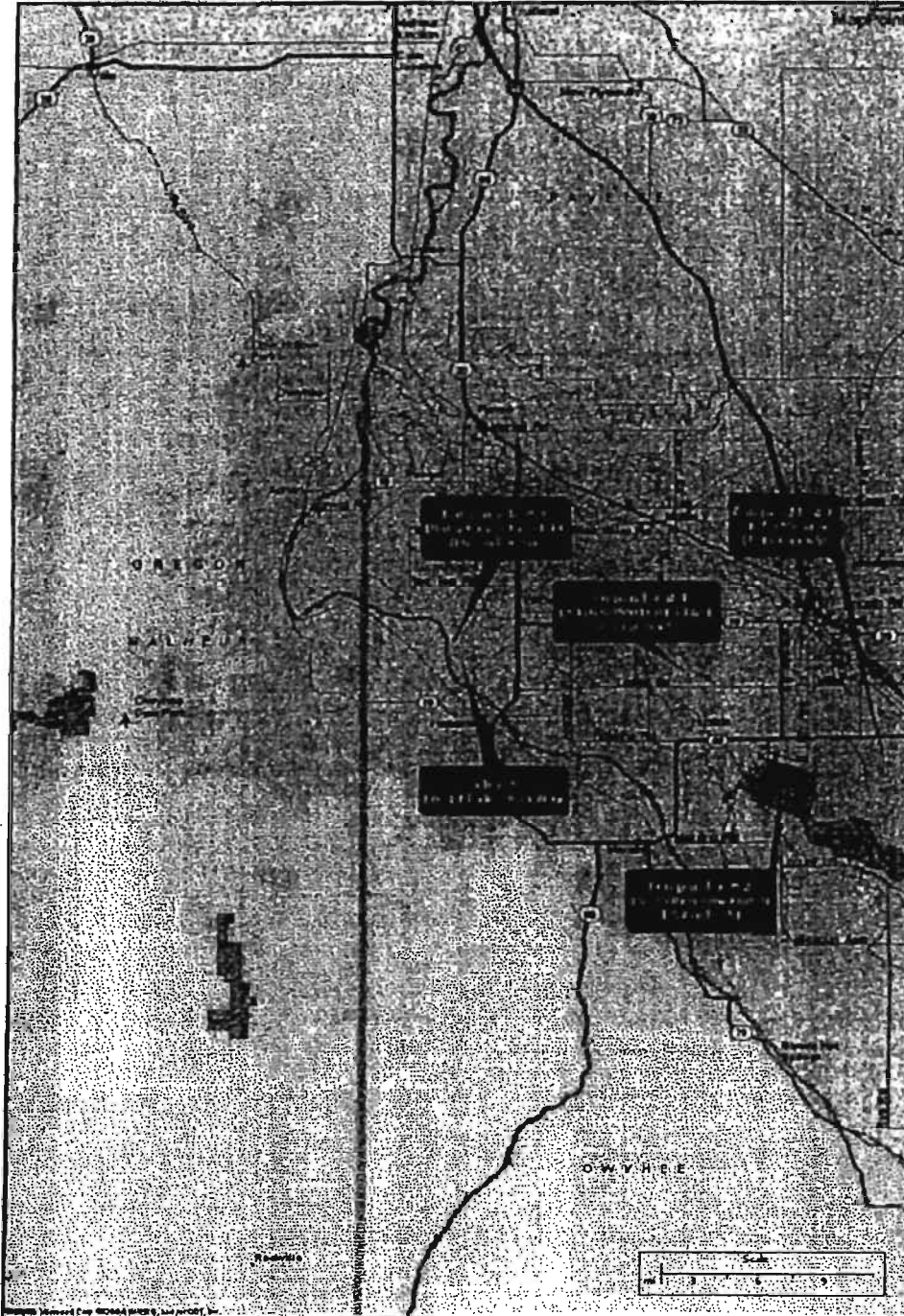
Plat Map

Borrower/Client	Julie G Barrison				
Property Address	Lot A Block 1 Riverbend Estates				
City	Wilder	County	Canyon	State	KS
Zip Code	63876				
Lender	CUSTOM MORTGAGE LLC				



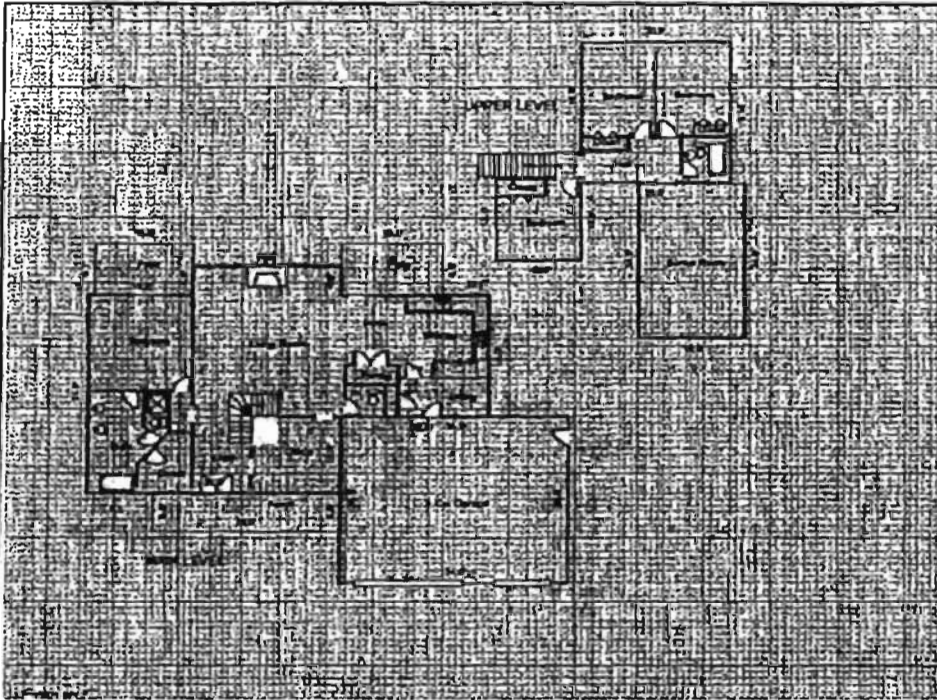
Location Map

Borrower/Client	Juke G Babinon						
Property Address	Lot 4 Block 1 Riverbend Estates						
City	Wilder	County	Canyon	State	Id.	Zip Code	83676
Lender	CUSTOM MORTGAGE LLC						



Building Sketch

Buyer/Client	Jude G. Barthelemy		
Property Address	Lot 4 Block 1 Riverbend Estates		
City	Wiley	County	Canyon
State	Id.	Zip Code	83676
Lender	CUSTOM MORTGAGE LLC		



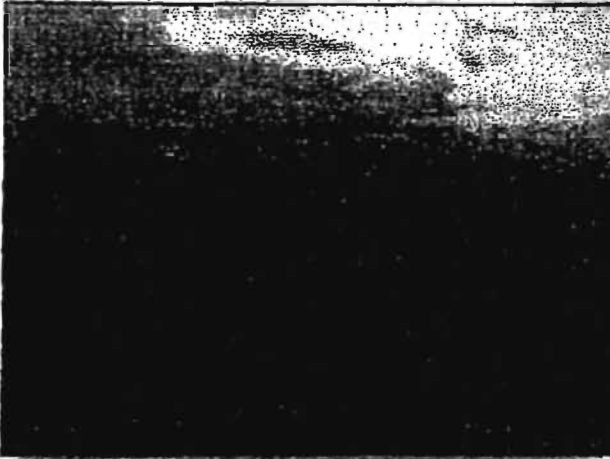
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Area	Net Totals
GLA1	Main Level	1729.2	
	Upper Level	670.8	2400.0
GLA2	Unfinished Basement	394.0	304.0
R/P	Porch	174.0	
	Patio	121.2	
	Patio	120.0	416.2
GAR	Garage	894.0	894.0
Net LIVABLE Area (Rounded)			2784

LIVING AREA BREAKDOWN			
		Breakdown	Subtotal
Main Level			
0.5 x	0.5 x	18.0	4.7
0.5 x	22.5 x	23.5	316.8
0.5 x	0.5 x	23.5	4.0
0.5 x	0.0 x	0.1	1.1
0.5 x	0.0 x	0.1	0.8
	18.0 x	32.0	416.2
	16.0 x	18.0	304.0
	12.0 x	39.0	468.0
Upper Level			
0.5 x	0.0 x	22.8	0.1
0.5 x	21.4 x	0.1	1.1
0.5 x	0.1 x	22.8	1.2
	21.4 x	22.8	489.8
	12.0 x	13.0	156.0
	4.0 x		16.0
	0.5 x	13.0	6.3
Unfinished Basement			
	2.0 x	24.0	48.0
	14.0 x	24.0	336.0
17 Items (Rounded)			2784

Subject Photo Page

Borrower/Client	Juher G Blanton						
Property Address	Lot 4 Block 1 Riverbend Estates						
City	Waller	County	Canyon	State	Id.	Zip Code	83678
Lender	CUSTOM MORTGAGE LLC						



Subject Front

Lot 4 Block 1 Riverbend Estates
 Sales Price N/A
 Gross Living Area 2,784
 Total Rooms 11.5
 Total Bedrooms 4
 Total Bathrooms 2.5
 Location Suburban
 View Golf Course
 Size 1.0 Acre
 Quality Average
 Age 0



Subject Rear



Subject Street

Subject Interior Photo Page

Borrower/Client	Julie G Bamson						
Property Address	Lot 4 Block 1 Riverbend Estates						
City	Wilder	County	Canyon	State	Id.	Zip Code	83678
Lender	CUSTOM MORTGAGE LLC						

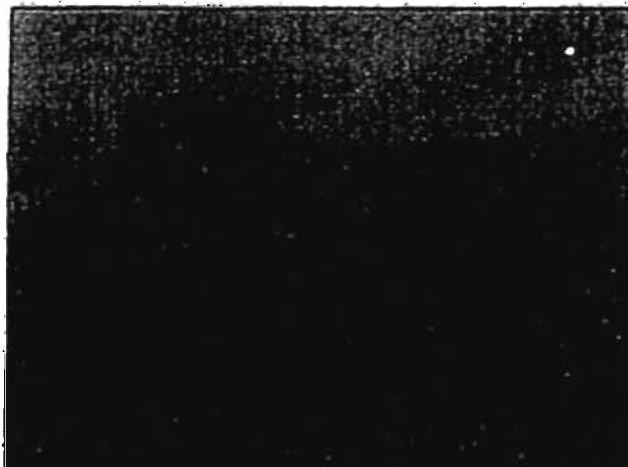
Subject Interior

Lot 4 Block 1 Riverbend Estates
 Sales Price N/A
 Gross Living Area 2,784
 Total Rooms 11.5
 Total Bedrooms 4
 Total Bathrooms 2.5
 Location Suburban
 View Golf Course
 Site 1.0 Acre
 Quality Average
 Age 0

Subject Interior**Subject Interior**

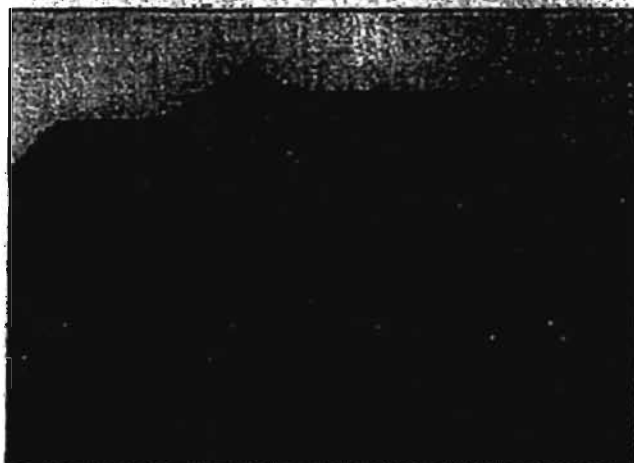
Comparable Photo Page

Borrower/Client	Julie G Bameon						
Property Address	Lot 4 Block 1 Riverbend Estates						
City	Wilder	County	Canyon	State	Id.	Zip Code	83676
Lender	CUSTOM MORTGAGE LLC						



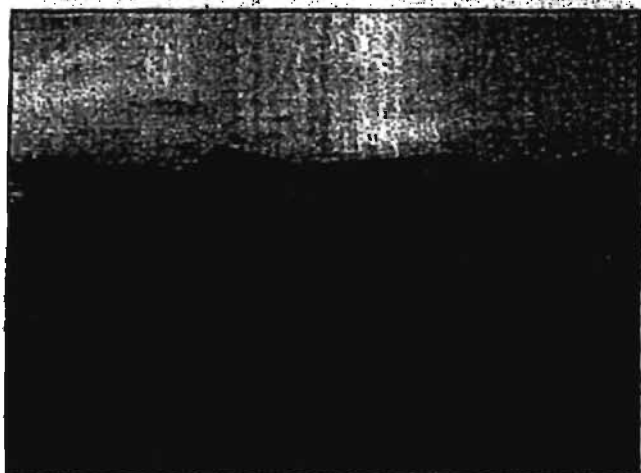
Comparable 1

14359 Midway
 Prox. To Subject 16.47 miles SE
 Sale Price 454,600
 Gross Living Area 3,180
 Total Rooms 10
 Total Bedrooms 4
 Total Bathrooms 3
 Location Suburban
 View Neighborhood
 Site 2.17 Acre
 Quality Average
 Age 0 Eff 0



Comparable 2

16375 Reminiscent Dr
 Prox. To Subject 12.7 miles SE
 Sale Price 405,800
 Gross Living Area 3,100
 Total Rooms 8
 Total Bedrooms 3
 Total Bathrooms 3
 Location Suburban
 View Neighborhood
 Site .85 Acre
 Quality Average
 Age 0 Eff 0

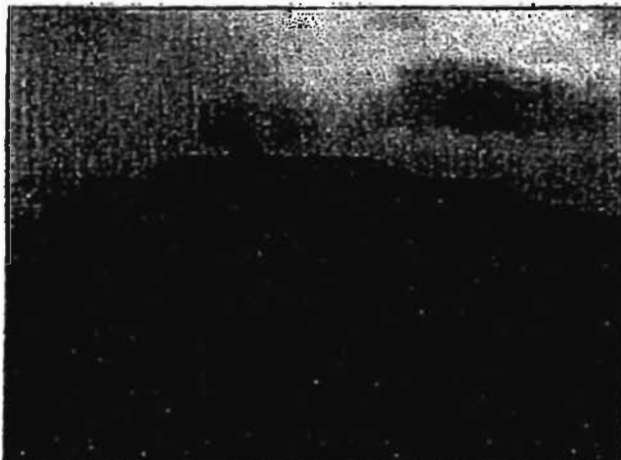


Comparable 3

19667 Sandy Beach Ct
 Prox. To Subject 0.65 miles NW
 Sale Price 399,900
 Gross Living Area 3,048
 Total Rooms 10
 Total Bedrooms 4
 Total Bathrooms 3.5
 Location Suburban
 View Neighborhood
 Site 3.46 Acre
 Quality Average
 Age 0 Eff 0

Comparable Photo Page

Borrower/Client	Julie G Barneish				
Property Address	Lot 4 Block 1 Riverbend Estates				
City	Wilder	County	Canyon	State	Id.
Zip Code	83676				
Lender	CUSTOM MORTGAGE LLC				



Comparable 4

17446 SUNNYDALE PLACE
 Prox. to Subject 8.47 miles E
 Sales Price 440,000
 Gross Living Area 3,552
 Total Rooms 10
 Total Bedrooms 3
 Total Bathrooms 2.5
 Location Suburban
 View Vacant Land
 Site 3.93 Acre
 Quality Average
 Age 0

Comparable 5

Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Comparable 6

Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Supplemental Addendum

File No. S06007N

Borrower/Client	Julie G Barrish				
Property Address	Lot 4 Block 1 Riverbend Estates				
City	Wilder	County	Canyon	State	Id. Zip Code 83676
Lender	CUSTOM MORTGAGE LLC				

David Turley
Turley Appraisal Service
6200 N. Meeker Pl. Ste 300
Boise ID 83713
(208) 658-9600

STATEMENT OF COMPETENCY

PROFESSIONAL EXPERIENCE

DEC 21, 2000 LICENSED REAL ESTATE APPRAISER LRA-390

JULY 02 TO PRESENT TURLEY APPRAISAL SERVICE
SELF EMPLOYED APPRAISER

MAY 98 TO JULY 02 A.J. APPRAISAL SERVICES BOISE, IDAHO
APPRAISER ASSOCIATE
RESIDENTIAL APPRAISALS ON DAILY BASIS
KENNETH ACKERMAN LRA-249. SUPERVISORY APPRAISER

DEC 96 TO MAY 98 ROGER L. MALM APPRAISALS BOISE, IDAHO.
APPRAISER ASSOCIATE
RESIDENTIAL APPRAISALS
ROGER MALM CRA-89 SUPERVISORY APPRAISER

MAY 96 TO DEC 96 HOMESTEAD HOMES BOISE, IDAHO
CONSTRUCTION MANAGEMENT
RESIDENTIAL HOME CONSTRUCTION
ROGER BUDGE SUPERVISOR

APR 88 TO MAY 98 BENEFICIAL LIFE INSURANCE CO. MESA, ARIZONA
LIFE INSURANCE AGENT
SOLD LIFE INSURANCE AND ANNUITIES

JAN 79 TO APR 88 SELF EMPLOYED BOISE, IDAHO
OWNER /MANAGER / DISTRIBUTOR
ZEE MEDICAL SERVICES
FIRST AID SUPPLIES SALES / SERVICE

OCT 88 TO DEC 78 LOS ANGELES CO. FIRE DEPT.
FIREFIGHTER / PARAMEDIC
FIREFIGHTING / RESCUE DUTIES

EDUCATION BUSINESS RELATED COURSES 1982-1984 BOISE STATE
UNIVERSITY

APPRAISAL COURSES

PRINCIPLES OF PROPERTY VALUATION	4/97 32 HOURS
INCOME APPROACH TO VALUATION	7/99 30 HOURS
PRINCIPLES OF REAL ESTATE APPRAISAL	8/99 15 HOURS
UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE	8/99 15 HOURS
MCKISSOCK DATA SYSTEMS APPRAISER LIABILITY/ APPRAISING THE OOGBALL NONGONFORM. & DIFFICULT PROP.	4/02 14 HOURS

REFERENCES AVAILABLE UPON REQUEST

SOCIAL SECURITY # [REDACTED]

License

Borrower/Client	Julie G Barnison				
Property Address	Lot 4 Block 1 Riverbend Estates				
City	Wilder	County	Canyon	State	Id. Zip Code 83676
Lender	CUSTOM MORTGAGE LLC				

Bureau of Occupational Licenses
 Department of Self Governing Agencies
 The person named has met the requirements for licensure and is entitled
 under the laws and rules of the State of Idaho to operate as a(n)
LICENSED RESIDENTIAL APPRAISER

DAVID W TURLEY
 2272 FOREST HILL CT
 EAGLE ID 83616

.. .. . LRA-390 11/15/2008
 Chief, B.O.L. Number Expires

Homecomings Financial

Homecomings HistoryPro

CoreLogic's suite of automated tools provide the most complete view of collateral risk and property valuation by examining a comprehensive set of property, borrower and agent characteristics. One click delivers a user-defined priority sequence of collateral risk and fraud management reports that best fit your business needs. To learn more or for additional report assistance please contact a customer care representative at (888) 286-2008.

User Entry Information

Order #, Loan # L70000010EBFB15EPD6FF3, 6471476101
Address 28123 SILO WAY WILDER, ID 83676
Customer Estimate \$422,000

HistoryPro Property Flip Scoring

Flip Caution	No - Low	F Score	2
T Ratio:	2.0%	Subject 3YT Flag:	
S Gain:	115.2%	Subject SYS Gain:	0%

Homecomings Report Results

PASS

No Further Action Required unless property concerns exist.

HISTORYPRO

CoreLogic's HistoryPro information report is used to provide sales history and comps for a specific market in such detail as to clearly identify flips, flip markets, and valuation patterns.

Input Address:	28123 SILO WAY	Report Date:	Nov-6, 2008
Input City-State-Zip:	WILDER, ID 83676-5423	Input Estimate:	\$422,000
F Score:	2		
Nearby Sales:	35	Rural Flag:	R
Max Distance:	2.17 Miles	High Price:	\$558,800
Average Distance:	1.12 Miles	Average Price:	\$206,162
T Score:	1 of 35	Median Price:	\$152,817
T Ratio:	2.8%	Low Price:	\$53,200
S Gain (Sale Pairs):	115.2% (3 of 35)	Mobile Home:	0.0%
L Gain (Loan Pairs):	224.1% (4 of 35)	Disaster Date:	None
		Disaster Type:	
Prior 3 Year Foreclosure:	No	APN:	
Prior 3 Year Sale Gain:	0%	Last Sale Date:	
Prior 3 Year Loan Gain:	0%	Last Sale Price:	
		Land Use Code:	



Sixteen shades of Tan-to-Green shading are used to depict value: (TAN IS LOW) and (GREEN IS HIGH).

EXHIBIT J

HomeC00280

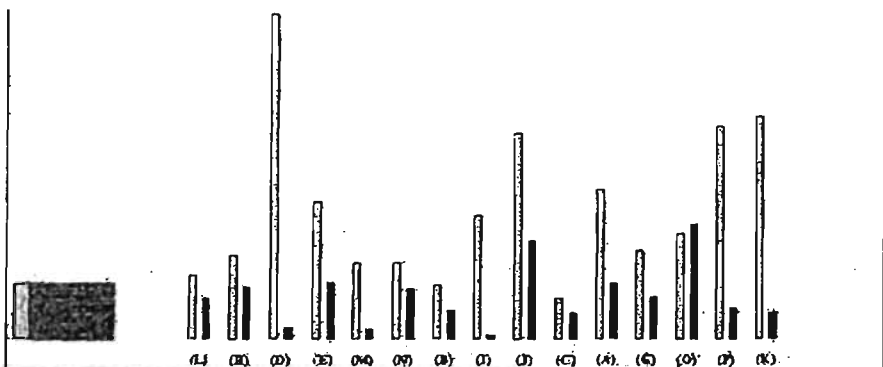
Legal Desc: TX 9507 IN SE 2									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Mar 27, 2008	\$13,878	\$115,032	RESALE	GRANT ANDREASON KENNETH R and CANDACE L	ANDREASON CANDACE L				
0.38	2008 PCHAMLED	0	88,948	\$0	\$88,790	0	0	0	0
(B)	WILDER, D. BERN								
School District: ADRIAN SCHOOL DISTRICT 061					Zoning: Pool: N	APN: R08492-000-0-0			
Legal Desc: TX 4-A IN SWSE LESS W 1/4									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Mar 24, 2008	\$147,320	\$167,320	RESALE	GRANT KING JOSEPH A and CANDACE B	ATKINS STEVE and TONIA				
1.31	2008 PCHAMLED	0	0	\$0	\$0	0	0	0	0
(C)	WILDER, D. BERN								
School District: ADRIAN SCHOOL DISTRICT 061					Zoning: Pool: N	APN: R37208-100-0-0			
Legal Desc: LT 1 BLK 1									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Mar 19, 2008	\$113,000	\$180,000	RESALE	GRANT JAMES REUBEN H and JOHNNIE L	ATKINS STEVE and TONIA				
1.87	2008 PCHAMLED	0	867,288	\$0	\$104,798	0	0	0	0
(D)	WILDER, D. BERN								
School District: ADRIAN SCHOOL DISTRICT 061					Zoning: Pool: N	APN: R17583-000-0-0			
Legal Desc: S007 LT 2									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Mar 7, 2008	\$258,118	\$228,888	CHST	GRANT SCHAFER THOMAS and PETER J	LUCKENBACH DENNIS L				
2.77	2008 PCHAMLED	0	541,376	\$0	\$48,388	0	0	0	0
(E)	WILDER, D. BERN								
School District: ADRIAN SCHOOL DISTRICT 061					Zoning: Pool: N	APN: R09719-010-0-0			
Legal Desc: TX 0223 IN SE 22									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Feb 2, 2008	\$282,888	\$282,888	RESALE	GRANT BARRY SCOTT	BARRY SCOTT				
Feb 2, 2008	\$0	\$0	RESALE	GRANT BARRY SCOTT	BARRY SCOTT				
Mar 10, 2008	\$282,888	\$282,888	RESALE	GRANT BARRY SCOTT	BARRY SCOTT				
4.19	2008 PCHAMLED	0	444,356	\$0	\$87,288	0	0	0	0
(F)	WILDER, D. BERN								
School District: ADRIAN SCHOOL DISTRICT 061					Zoning: Pool: N	APN: R08492-000-0-0			
Legal Desc: TAX 28 IN NW 1/4									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Dec 30, 2007	\$167,320	\$0	RESALE	GRANT LAM STEVE	NICHOLSON TOM				
Oct 26, 2007	\$0	\$0	RESALE	GRANT LAM STEVE	NICHOLSON TOM				
Oct 27, 2007	\$0	\$0	RESALE	GRANT LAM STEVE	NICHOLSON TOM				
1	2008 PCHAMLED	0	13,888	\$0	\$1,828	0	0	0	0
(G)	WILDER, D. BERN								
School District: ADRIAN SCHOOL DISTRICT 061					Zoning: Pool: N	APN: R08492-000-0-0			
Legal Desc: TAX 77 (256) 1/4 IN SW									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Dec 15, 2007	\$171,320	\$0	RESALE	GRANT SPEARS DAVID S and TASHA S	DOONA SORCINO T				
2	2008 PCHAMLED	0	17,421	\$0	\$7,388	0	0	0	0
(H)	WILDER, D. BERN								
School District: ADRIAN SCHOOL DISTRICT 061					Zoning: Pool: N	APN: R08492-000-0-0			
Legal Desc: TAX 16 IN SW									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Dec 15, 2007	\$171,320	\$0	RESALE	GRANT SPEARS DAVID S and TASHA S	DOONA SORCINO T				
3.78	2008 PCHAMLED	0	871,166	\$0	\$18,798	0	0	0	0
(I)	WILDER, D. BERN								
School District: ADRIAN SCHOOL DISTRICT 061					Zoning: Pool: N	APN: R08492-000-0-0			
Legal Desc: SYMB-W OF GOLDEN GATE CANAL AND E OF VAN TRESS LATERAL LB TX 9507									
Date	Sale Value	1st Loan Amt	Transaction	Deed Buyer	Seller				
Mar 18, 2008	\$178,588	\$130,000	RESALE	GRANT HARDAVE CATHARINE	HARDAVE CATHARINE TRUST				

**Sales Prices and Assessment Values for Recent Sales
Ordered by Distance Left (closest) to Right (farthest)**

Set-Back Price

■ A 2002 trend

Figure 1



0.01	20802 TRUNNELL CT, 83676	51,836		\$42,300
0.01	20734 TRUNNELL CT, 83676	37,462		\$37,200
0.01	20821 TRUNNELL CT, 83676	40,075	2008	\$37,700
0.01	20773 TRUNNELL CT, 83676	112,137		\$41,200
0.01	20827 PATRICK LN, 83676	95,306		\$152,600
0.01	20480 PATRICK LN, 83676	34,248		\$128,600
0.01	20823 PATRICK LN, 83676	48,302		\$20,700
0.01	19882 WARREN LN, 83676	31,994	2005	\$44,840
0.01	19987 WARREN LN, 83676	43,580	2005	\$129,475
0.01	19904 WARREN LN, 83676	23,358		\$29,300
0.01	19821 WARREN LN, 83676	43,580	2004	\$500
0.01	19803 WARREN LN, 83676	43,580		\$500
0.01	28254 SILO RD, 83676	50,980	2008	\$246,000
0.07	20714 GRAVELLY LN, 83676	288,157		\$117,700
0.08	20782 GRAVELLY LN, 83676	347,846	2004	\$281,950
0.15	20801 GRAVELLY LN, 83676	23,037		\$42,000
0.16	20843 PECKHAM RD, 83676	132,460		\$124,000
0.18	20602 PECKHAM RD, 83676	174,230		\$78,000
0.18	20471 PECKHAM RD, 83676	16,117	2004	\$101,346
0.18	20466 PECKHAM RD, 83676	15,284		\$48,000

Average Value	Minimum Value	Maximum Value	Median Value
\$0	\$0	\$0	\$0

Q ANDREASON KENNETH R AND CANDACE L	ANDREASON CANDACE L	WELLS FARGO BN NA	RESALE	\$105,019 2006 (1)
Q AYALAS PIERO	AYALAS PIERO	QNTN TRS	RESALE	\$0 2006 (1)
Q CUNDALL PHIL AND TAMI	MC GARRY LLC		RESALE	\$0 2006 (1)
Q DAYTON BURTON S AND KRISTIN	JENKINS BETTY J	LAKE FM L SVCS LTD	RESALE	\$108,600 2005 (1)
Q DERRY ELAINE	JOHNSON SYLVIA	HOMER FED L BK	RESALE	\$113,000 2006 (1)
Q DIAMOND DEV	ALLIANCE TITLE AND ESCROW CORP		RESALE	\$78,000 2006 (1)
Q DUONG MINH AND MY	HERNANDEZ MARIA E		RESALE	\$0 2005 (1)
Q E-O-B INC	JOHNSON CREEK FEEDLOT LLC		RESALE	\$0 2006 (1)
Q E-O-B INC	JOHNSON CREEK FEEDLOT LLC		RESALE	\$0 2006 (1)
Q EL JONES ENTS	JONES LISA M	TAYLOR, DEAN AND WHITAKER	RESALE	\$383,040 2006 (1)
Q EMERY SCOTT	EMERY VIVIAN		RESALE	\$0 2006 (1)
Q EMERY SCOTT	EMERY SCOTT D AND VIVIAN	FIRST HORIZON HM LN CORP	RESALE	\$242,592 2006 (1)
Q EMERY SCOTT	EMERY SCOTT D AND VIVIAN		RESALE	\$0 2006 (1)
Q ENSLEY DEWAYNE E AND WYNDEE	ENSLEY EVERETT E AND EVELYN P		RESALE	\$0 2004 (1)
Q ENSLEY DEWAYNE E AND WYNDEE	ENSLEY DEWAYNE E		RESALE	\$0 2006 (1)
Q EOB INC	MIKELSON PATRICIA A		RESALE	\$0 2006 (1)
Q ETTER RYAN P AND STEPHANIE J	KANTA JAY A	NORTHWEST FARM CREDIT SVCS	RESALE	\$256,387 2006 (1)
Q GATES MARK	DRINGTON DON E	FLC	RESALE	\$0 2006 (1)
Q GATES MARK	DRINGTON DON E	PRIVATE INDIVIDUAL	RESALE	\$129,475 2005 (1)
Q GOUGH DOROTHY	RHODES DOROTHY S	ZIONS FIRST NAT L BK	RESALE	\$20,200 2005 (1)
Q GRAVE CATHERINE	GRAVE CATHERINE	FIRST NAT L AND SVCS	RESALE	\$179,000 2005 (1)
Q HARVEY DENNIS AND STACIE L	DUANELL ADEY M	COUNTRYWIDE HM LNS INC	RESALE	\$399,000 2006 (1)
Q HAWKINS CURTIS	HAWKINS CURTIS	DUCKEN LNS	RESALE	\$47,340 2006 (1)
Q HAWKINS CURTIS	HAWKINS CURTIS	WELLS FARGO FN L BK	RESALE	\$0 2006 (1)
Q HAWKINS CURTIS	HAWKINS CURTIS	WELLS FARGO FN L BK	RESALE	\$0 2006 (1)
Q HAWKINS CURTIS	HAWKINS CURTIS	EAGLE HM MTD INC	RESALE	\$0 2006 (1)
Q HAWKINS CURTIS	HAWKINS CURTIS		RESALE	\$0 2006 (1)
Q HERNANDEZ MARIA	RODRIGUEZ SERAFIN AND MARIA E	OTHER INSTITUTIONAL LENDERS	RESALE	\$82,460 2005 (1)
Q BUCHER BOBIE H AND JOANNE E	MURKEY NATHANIEL	WASHINGTON FED L SVCS	RESALE	\$121,000 2004 (1)
Q IRVING R ANCIL	KYLE ZETTA O		RESALE	\$0 2006 (1)
Q KING JOSEPH A AND CANDACE B	ATKINS STEVE AND TOM	FARMERS AND MERCHANTS ST BK	RESALE	\$143,533 2006 (1)
Q LAW STEVE	NICHOLSON TOM	OTHER INSTITUTIONAL LENDERS	RESALE	\$107,065 2005 (1)
Q LAW STEVE	NICHOLSON TOM		RESALE	\$0 2006 (1)

LL MIKELSON LTD FAM PTSHP 1	PAUL MARY A TRUST	005129	RESALE	\$206,250 2006
MARLER ROBERT AND KEN	HORSTON DONALD		RESALE	\$0 2006
MONTIERTH EDWARD R AND SUSAN	E-O-B INC		RESALE	\$0 2006
MONTIERTH EDWARD R AND SUSAN	E-O-B INC		RESALE	\$0 2006
MONTIERTH EDWARD R AND SUSAN	EOB INC		RESALE	\$0 2006
MICHOSON TOM	LAW STEVE		RESALE	\$0 2005
PALM MARY A TRUST	PAUL LAWRENCE A		RESALE	\$0 2004
PINE STREET LLC	FARMERS AND MERCHANTS STATE BANK	INTERMOUNTAIN COUNTY BK	CNST	\$358,600 2006 (D)
PRATER VERNON R AND DIANA J		FIRSTBANK NORTHWEST	REFUEO	\$0 2004
PRATER VERNON R AND DIANA J			RESALE	\$0 2005
QUINN PATRICK V AND ANNE S	WENNSTROM DONALD G	MOUNTAIN WEST BK	RESALE	\$116,933 2005
RHOODES ROBERT		OTHER INSTITUTIONAL	REFUEO	\$0 2005
SCHAFER ROONEY R AND PATRICIA J	LUDINGTON DENNIS L	OTHER INSTITUTIONAL	CNST	\$359,110 2006 (J)
SPEARS DAVID B AND TASHA B	GOODNA SOCORRO T	FREMONT BNS AND LM	RESALE	\$113,000 2005
SPEARS DAVID B AND TASHA B	GOODNA SOCORRO T	FREMONT BNS AND LM	RESALE	\$131,000 2005 (M)
SWARTZ FAMILY TRUST	TRUNNELL G D FAMILY TRUST		RESALE	\$0 2005
SWARTZ FAMILY TRUST	TRUNNELL G D FAMILY TRUST		RESALE	\$0 2005
TAYLER MICHAEL AND CHRISTY	DUNNELL ADEY M	FARMERS AND MERCHANTS ST BK	RESALE	\$62,500 2006
TAYLOR BRENT AND SHANNON	JENSEN BOB D	OTHER INSTITUTIONAL	RESALE	\$332,000 2006
TAYLOR RONALD E AND PATRICIA M	TAYLOR BRENT AND SHANNON		RESALE	\$0 2006
UNITED CAPITAL MORTGAGE CO	LL MIKELSON LTD FAM PTSHP 1 INC		RESALE	\$0 2006
WEST BROOK	FREEMAN DANNY J AND JENNIE	WASHINGTON MUTUAL BK FA	RESALE	\$152,617 2005
YOUNG ELLY W AND SARAH	WEST BROOK		RESALE	\$0 2006

Factors

HPFA(sic), HPBL(sic), HPFA(nbp), HPFA(smm),

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CoreLogic
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Sacramento, CA 95827
P: (916) 209-2009 * F1 (916) 455-3051
cs@corelogic.com
www.corelogic.com

Legal / Privacy

ASSETWISE FINDINGS REPORT

Lender Case #: 12789083
 Primary Borrower: JULIE G BARNSON
 Property Address: 28123 SILCO WAY
 WILDER, ID 83676
 Seller Description: Homecomings Wholesale Funding
 Evaluation Date: 11/6/2006 3:28:16 PM
 Broker: Custom Mortgage, Llc (110152-000)
 Please place this certificate on the top-right of the file folder.
 The credit report used for this evaluation is dated 10/6/2006. All credit documents must be dated no more than
 120 days prior to the Note date for existing construction and 180 days for new construction.
 This evaluation is not valid after 12/31/2006.

PROGRAM OPTIONS

Submission Reference Number: 28297826
 Recommendation: Approve
 Grade: A3
 Product Group: Payment Option
 Documentation Type: Stated Income
 Product Type: MIA - 1 Month Intro
 Min Payment Term: 12 Months
 Loan Recast: 120 Months
 First Time Home Buyer: YES
 Simultaneous Delivery: YES
 Citizenship: Primary Borrower - US Citizen
 HOME EQUITY QUALIFICATION

Qualified for a Home Equity Loan/Line subject to loan amount of \$42,200.00 and payment of \$539.00. Please verify the accuracy of the home equity payment that was input.

This Second Mortgage approval is being granted only in conjunction with a Homecomings simultaneous First Mortgage.

If the 2nd mortgage product chosen is an Accent Line of Credit, the 2nd mortgage payment amount entered in AssetwiseDirect must be the 10 Payment based on the fully indexed rate (Prime plus margin).

Please submit separate loan packages for the first and second mortgages.

Product	Loan Amount
Accent LOC: 15 Yr-5 Draw/10 Repay	\$42,200.00
Accent LOC: 25 Yr- 15 Draw/10 Repay	\$42,200.00
Accent LOC IO: 15 Yr IO-Balloon	\$42,200.00
Accent Closed End: 5 Yr Fixed	\$42,200.00
Accent Closed End: 10 Yr Fixed	\$42,200.00
Accent Closed End: 15 Yr Fixed	\$42,200.00
Accent Closed End: 30/15 Yr Balloon	\$42,200.00
Accent LOC IO: 20 Yr:10 IO Draw/10 Repay	\$42,200.00
Accent LOC IO: 25 Yr:10-IO Draw/15 Repay	\$42,200.00
Accent LOC IO: 30 Yr:10-IO Draw/20 Repay	\$42,200.00
Accent Closed End IO: 25Yr Fixed-5 Yr IO	\$42,200.00

LOAN DETAIL

Loan Amount: \$337,600.00
 Subordinate Financing: \$42,200.00
 Amortization Type: Adjustable Rate
 Term: 360
 Balloon Indicator: No
 Qualifying Rate: 7.875%
 Loan Purpose: Refinance
 Equity Ref: No
 Property Value: \$422,000.00
 Property Type: Single Family Detached
 No. of Stories: 1

<https://secure.rft.com/AWD/ViewFindings.aspx?ReportId=25336402&windowName=Assetwise&LoanId=...> 11/6/2006

EXHIBIT K

293

HomeC00239

NOV. 7. 2006 7:19AM
port

NO. 9003 Page. 4/28

ASSETWISE FINDINGS REPORT

Lender Case #: 12789083
Primary Borrower: JULIE G BARNSON
Property Address: 28123 SILO WAY
WILDER, ID 83676
Seller Description: Homecomings Wholesale Funding
Evaluation Date: 11/7/2006 8:26:45 AM
Broker: Custom Mortgage, Llc (110152-000)
Please place this certificate on the top right of the file folder.
The credit report used for this evaluation is dated 10/6/2006. All credit documents must be dated no more than 120 days prior to the Note date for existing construction and 180 days for new construction.
This evaluation is not valid after 12/31/2006.

PROGRAM OPTIONS

Submission Reference Number: 28307695
Recommendation: Approve
Grade: A3
Product Group: Payment Option
Documentation Type: Stated Income
Product Type: MTA - 1 Month Intro
Min Payment Term: 12 Months
Loan Recast: 120 Months
First Time Home Buyer: YES
Simultaneous Delivery: YES
Citizenship: Primary Borrower - US Citizen
HOME EQUITY QUALIFICATION

Qualified for a Home Equity Loan/Line subject to loan amount of \$42,200.00 and payment of \$539.00. Please verify the accuracy of the home equity payment that was input.

This Second Mortgage approval is being granted only in conjunction with a Homecomings simultaneous First Mortgage.

If the 2nd mortgage product chosen is an Accent Line of Credit, the 2nd mortgage payment amount entered in AssetwiseDirect must be the IO Payment based on the fully indexed rate (Prime plus margin).

Please submit separate loan packages for the first and second mortgages.

Product	Loan Amount
Accent Closed End: 5 Yr Fixed	\$42,200.00
Accent Closed End: 10 Yr Fixed	\$42,200.00
Accent Closed End: 15 Yr Fixed	\$42,200.00
Accent Closed End: 30/15 Yr Balloon	\$42,200.00

LOAN DETAIL

Loan Amount: \$337,600.00
Subordinate Financing: \$42,200.00
Amortization Type: Adjustable Rate
Term: 360
Balloon Indicator: No
Qualifying Rate: 8.125%
Loan Purpose: Refinance
Equity Ref: No
Property Value: \$422,000.00
Property Type: Single Family Detached
No. of Stories: 1
No. of Units: 1
Occupancy: Second Home
LTV: 80.00%
CLTV: 90.00%
Expense Ratio: 25.63%
Housing Ratio: N/A
Buydown: 0.00%
Cash to Close: \$6,697.14
Cash out Amount: \$0.00
Credit Score: 674
Repository Used: Experian (TRW)
Residual Income: \$12,456.41
Months Reserves: 27

THANK YOU FOR CHOOSING HOMECOMINGS FINANCIAL

REQUIRED DOCUMENTATION

INCOME REQUIREMENTS FOR STATED INCOME DOCUMENTATION

- Submission Reference Number: 28307695.

11/7/2006

EXHIBIT L

HomeC00272

Robert B. Burns, ISB No. 3744
MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED
101 S. Capitol Blvd., 10th Floor
Post Office Box 829
Boise, Idaho 83701
Telephone (208) 345-2000
Facsimile (208) 385-5384
rbb@moffatt.com
23095.0001

Attorneys for Plaintiff

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF CANYON

PARKWEST HOMES LLC, an Idaho limited
liability company,

Plaintiff,

vs.

JULIE G. BARNSON, an unmarried woman;
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC., a
Delaware corporation, as nominee for
Homecomings Financial, LLC (f/k/a
Homecomings Financial Network, Inc.), a
Delaware limited liability company; and
DOES 1-10;

Defendants.

Case No. CV 07-8274

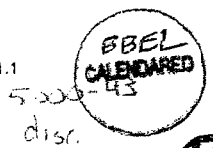
**NOTICE OF TAKING F.R.C.P. 30(b)(6)
DEPOSITION OF DEFENDANT
MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.**

(10:00 a.m., November 16, 2010)

**TO: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AND ITS
ATTORNEYS OF RECORD**

**NOTICE OF TAKING F.R.C.P. 30(b)(6) DEPOSITION OF DEFENDANT MORTGAGE
ELECTRONIC REGISTRATION SYSTEMS, INC. - 1**

Client: 1802381.1



PLEASE TAKE NOTICE that Plaintiff ParkWest Homes, LLC will take the deposition, upon oral examination, of **MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.**, before a court reporter on the 16th day of November 2010, commencing at 10:00 a.m. and continuing thereafter until completed, at Moffatt, Thomas, Barrett, Rock & Fields, Chartered, 101 South Capitol Boulevard, 10th Floor, Boise, Idaho, at which time and place you are notified to appear and take such part in the examination as you may deem proper. Said deposition shall be on and with respect to all matters raised in or related to (i) Plaintiff's First Set of Requests for Admission, Interrogatories, and Requests for Production of Documents served August 5, 2010, on Mortgage Electronic Registration Systems, Inc. ("MERS"), (ii) Plaintiff's Second Set of Requests for Admission, Interrogatories, and Requests for Production of Documents, served October 13, 2010, on MERS, (iii) MERS' responses and answers served and productions made with respect to foregoing items (i) and (ii), and (iv) all factual matters and defenses raised in Mortgage Electronic Registration Systems, Inc.'s Answer to Plaintiff's Supplemental Amended Complaint to Foreclose Lien, served October 6, 2010.

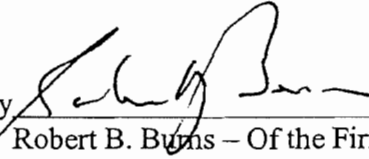
You are further notified that, if you fail to appear at the place and time specified above, you may be held in contempt of court and that Plaintiff may recover from you all damages sustained by your failure to attend.

This deposition shall be taken pursuant to the Idaho Rules of Civil Procedure.

DATED this 13th day of October, 2010.

MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED

By



Robert B. Burns – Of the Firm
Attorneys for Plaintiff

CERTIFICATE OF SERVICE

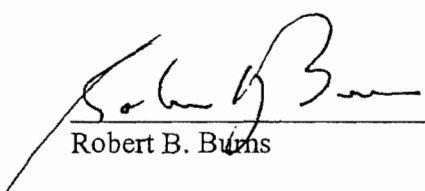
I HEREBY CERTIFY that on this 13th day of October, 2010, I caused a true and correct copy of the foregoing **NOTICE OF TAKING F.R.C.P. 30(b)(6) DEPOSITION OF DEFENDANT MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.** to be served by the method indicated below, and addressed to the following:

Stephen C. Hardesty
Ryan T. McFarland
HAWLEY TROXELL ENNIS & HAWLEY LLP
877 W. Main St., Ste. 1000
P.O. Box 1617
Boise, ID 83701-1617
Facsimile (208) 954-5223 and (208) 954-5236

() U.S. Mail, Postage Prepaid
(X) Hand Delivered
() Overnight Mail
() Facsimile

M&M Court Reporting Service
421 W. Franklin St.
P.O. Box 2636
Boise, ID 83701-2636

(X) U.S. Mail, Postage Prepaid
() Hand Delivered
() Overnight Mail
() Facsimile


Robert B. Burns

ORIGINAL

Stephen C. Hardesty ISB No. 4214
Ryan T. McFarland ISB No. 7347
HAWLEY TROXELL ENNIS & HAWLEY LLP
877 Main Street, Suite 1000
P.O. Box 1617
Boise, ID 83701-1617
Telephone: (208) 344-6000
Facsimile: (208) 342-3829
Email: sch@hteh.com
rmcf@hteh.com

F I L E D
A.M. 7:00 P.M.
NOV 15 2010

CANYON COUNTY CLERK
D. BUTLER, DEPUTY

Attorneys for Defendant Mortgage Electronic Registration Systems, Inc. and
Defendant/Intervenor Residential Funding Real Estate Holdings, LLC

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF CANYON

PARKWEST HOMES LLC, an Idaho limited)
liability company,)

Plaintiff;)

vs.)

JULIE G. BARNSON, an unmarried woman;)
MORTGAGE ELECTRONIC)
REGISTRATION SYSTEMS, INC., a)
Delaware corporation, as nominee for)
Homecomings Financial, LLC (f/k/a)
Homecomings Financial Network, Inc.), a)
Delaware limited liability company; and)
DOES 1-10,)

Defendants.)

and)

RESIDENTIAL FUNDING REAL ESTATE)
HOLDINGS, LLC, a Delaware limited)
liability company,)

Defendant/Intervenor.)

Case No. CV 07-8274

ANSWER AND COUNTERCLAIM IN
INTERVENTION

Residential Funding Real Estate Holdings, LLC ("Residential"), by and through its attorneys of record, Hawley Troxell Ennis & Hawley LLP, files this Answer and Counterclaim in Intervention for Declaratory Relief against Plaintiff ParkWest Homes, LLC ("Plaintiff" or "ParkWest"), as follows:

ANSWER

GENERAL DENIAL

Residential denies each and every allegation contained in Plaintiff's Supplemental Amended Complaint To Foreclose Lien (the "Complaint"), unless expressly and specifically admitted herein.

GENERAL ALLEGATIONS

1. In response to paragraph 1 of Plaintiff's Complaint, Residential is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth therein and, therefore, denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

2. In response to paragraph 2 of Plaintiff's Complaint, Residential is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth therein and, therefore, denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

3. In response to paragraph 3 of Plaintiff's Complaint, Residential responds that as ParkWest did not name Residential, or its predecessors in interest, as Defendants in the above-captioned action, the allegations in paragraph 3 of Plaintiff's Complaint are not brought against Residential, and on that basis, Residential denies those allegations. To the extent any further answer is required of Residential, in response to paragraph 3 of Plaintiff's Complaint Residential

admits only that Mortgage Electronic Registration Systems, Inc., as nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.) ("MERS"), was the beneficiary under two Deeds of Trust recorded against the property at issue in this case (the "Property") on November 14, 2006, as Instrument Nos. 200690998 and 200690999, Official Records of Canyon County, Idaho (collectively, "the Deeds of Trust"). Residential denies all allegations set forth in paragraph 3 of Plaintiff's Complaint that are inconsistent with the Deeds of Trust.

4. In response to paragraph 4 of Plaintiff's Complaint, Residential is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth therein and, therefore, denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

5. In response to paragraph 5 of Plaintiff's Complaint, Residential responds that as ParkWest did not name Residential, or its predecessors in interest, as Defendants in the above-captioned action, the allegations in paragraph 5 of Plaintiff's Complaint are not brought against Residential, and on that basis, Residential denies those allegations. To the extent any further answer is required of Residential, Residential admits that this Court has jurisdiction over this case and the parties to it.

6. In response to paragraph 6 of Plaintiff's Complaint, Residential is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth therein and, therefore, denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

7. In response to paragraph 7 of Plaintiff's Complaint, Residential is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth

therein and, therefore, denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

8. In response to paragraph 8 of Plaintiff's Complaint, Residential responds that as ParkWest did not name Residential, or its predecessors in interest, as Defendants in the above-captioned action, the allegations in paragraph 8 of Plaintiff's Complaint are not brought against Residential, and on that basis, Residential denies those allegations. To the extent any further answer is required of Residential, in response to paragraph 8 of Plaintiff's Complaint Residential admits only that Plaintiff caused a Mechanic's Lien (the "Lien") to be recorded on November 28, 2006 as Instrument No. 200694511, Official Records of Canyon County, Idaho, for \$189,117.99. Residential is without knowledge or information sufficient to form a belief as to the truth of all other allegations in paragraph 8 and therefore denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

9. In response to paragraph 9 of Plaintiff's Complaint, Residential is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth therein and, therefore, denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

10. In response to paragraph 10 of Plaintiff's Complaint, Residential is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth therein and, therefore, denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

11. In response to paragraph 11 of Plaintiff's Complaint, Residential responds that as ParkWest did not name Residential, or its predecessors in interest, as Defendants in the above-captioned action, the allegations in paragraph 11 of Plaintiff's Complaint are not brought against

Residential, and on that basis, Residential denies those allegations. To the extent any further answer is required of Residential, in response to paragraph 11 of Plaintiff's Complaint

Residential admits only that this Court entered a Default Judgment Against Julie G. Barnson Only in this matter on or about October 7, 2008. Residential denies all allegations set forth in paragraph 11 of Plaintiff's Complaint that are inconsistent with the Default Judgment Against Julie G. Barnson Only.

12. In response to paragraph 12 of Plaintiff's Complaint, Residential responds that as ParkWest did not name Residential, or its predecessors in interest, as Defendants in the above-captioned action, the allegations in paragraph 12 of Plaintiff's Complaint are not brought against Residential, and on that basis, Residential denies those allegations. To the extent any further answer is required of Residential, in response to paragraph 12 of Plaintiff's Complaint Residential admits that this Court entered summary judgment in favor of MERS on January 26, 2009, based on this Court's finding that Plaintiff's Lien did not contain a proper verification and that the contract between Plaintiff and Julie G. Barnson ("Barnson") was void as an illegal contract. Thereafter, the Idaho Supreme Court reversed the decision of this Court and remanded this case for further proceedings pursuant to 2010 Opinion No. 68, filed June 25, 2010, in Docket No. 36246-2009. Residential denies all allegations set forth in paragraph 12 of Plaintiff's Complaint that are inconsistent with this Court's January 26, 2009, Judgment or the Idaho Supreme Court's June 25, 2010 Opinion.

13. Residential denies paragraph 13 of Plaintiff's Complaint.

14. Residential denies paragraph 14 of Plaintiff's Complaint.

15. In response to paragraph 15 of Plaintiff's Complaint, Residential is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth

therein and, therefore, denies the same pursuant to Rule 8(b) of the Idaho Rules of Civil Procedure.

16. In response to paragraph 16 of Plaintiff's Complaint, Residential responds that as ParkWest did not name Residential, or its predecessors in interest, as Defendants in the above-captioned action, the allegations in paragraph 16 of Plaintiff's Complaint are not brought against Residential, and on that basis, Residential denies those allegations. To the extent any further answer is required of Residential, in response to Paragraph 16 of Plaintiff's Complaint Residential denies that the Deeds of Trust were ever junior to ParkWest's Lien.

17. Residential denies paragraph 17 of Plaintiff's Complaint.

PRAYER FOR RELIEF

With respect to Plaintiff's Prayer for Relief in the Complaint, to the extent that any answer is required Residential denies the allegations contained therein, denies that Plaintiff has stated any valid cause of action, and denies that Plaintiff is entitled to any of the relief requested therein.

FIRST DEFENSE

ParkWest's Complaint, and each and every allegation thereof, fails to state a claim against Residential upon which relief can be granted and should be dismissed pursuant to Rule 12(b)(6) of the Idaho Rules of Civil Procedure.

SECOND DEFENSE

ParkWest has failed to plead a cause of action against Residential that entitles ParkWest to a money judgment against Residential.

THIRD DEFENSE

ParkWest is not entitled to foreclose the Lien because Residential's interest in the Property is superior to ParkWest's interest in the Property.

FOURTH DEFENSE

ParkWest's Lien fails to comply with the requirements of Idaho Code, Title 45, regarding mechanics' liens.

FIFTH DEFENSE

The amount set forth in ParkWest's alleged Lien is in excess of the reasonable value of the materials or labor purportedly provided.

SIXTH DEFENSE

The services alleged to have been provided to the Property by ParkWest do not give rise to a mechanic's lien under Idaho Code Section 45-500, *et seq.*

SEVENTH DEFENSE

Because of ParkWest's partnership agreement with Defendant Julie G. Barnson ("Barnson"), ParkWest is precluded from asserting a mechanic's lien against the Property at issue.

EIGHTH DEFENSE

ParkWest failed to provide Barnson the pre-contract disclosures required by Idaho Code section 45-525, and therefore ParkWest's contract with Barnson is voidable and ParkWest's Lien is invalid.

NINTH DEFENSE

ParkWest has no lien rights because it has been paid all of the amount due it under its contract with Barnson.

TENTH DEFENSE

ParkWest's lien is void as to Residential because ParkWest failed to name necessary and/or indispensable parties.

RULE 11 STATEMENT

Residential has considered and believes that it may have additional defenses, but does not have enough information at this time to assert additional defenses under Rule 11 of the Idaho Rules of Civil Procedure. Residential does not intend to waive any such defenses and specifically asserts its intention to amend this answer if, pending research and after discovery, facts come to light giving rise to such additional defenses.

COUNTERCLAIM

II. PARTIES

1. Residential is a Delaware limited liability company and the record owner of the Property by virtue of that Trustee's Deed (the "Trustee's Deed") recorded on July 20, 2009, Instrument No. 2009036841, Official Records of Canyon County, Idaho. A true and correct copy of the Trustee's Deed, which more particularly describes the Property, is attached hereto as Exhibit A.

III. JURISDICTION AND VENUE

2. Subject matter jurisdiction in this Court is proper under Idaho Code section 1-705.

3. This Court has personal jurisdiction over ParkWest because it is an Idaho limited liability company and it has purposefully availed itself of the privilege of conducting activities within Idaho by transacting business in Idaho, thus invoking the benefits and protections of the laws of Idaho and subjecting itself to the jurisdiction of Idaho courts.

4. Venue is proper in Canyon County under Idaho Code sections 5-401 and 5-404.

**IV.
GENERAL ALLEGATIONS**

5. Prior to November 13, 2006, Barnson was the owner of the Property.

6. On November 14, 2006, in connection with obtaining loans from Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.) (hereinafter referred to as "Homecomings"), Barnson caused the Deeds of Trust to be recorded. True and correct copies of the Deeds of Trust are attached hereto as Exhibits B and C. The Deed of Trust recorded as Instrument No. 200690998 (the "First Deed of Trust") was in a first-priority position.

7. Homecomings was the "Lender," MERS was the Beneficiary, and Transnation Title ("Transnation") was the "Trustee" of the First Deed of Trust.

8. On November 28, 2006, ParkWest Homes filed its Lien against the Property as Instrument No. 200694511, Official Records of Canyon County, Idaho.

9. On June 28, 2007, First American Title Insurance Company ("First American") was appointed the trustee of the First Deed of Trust, by virtue of the Appointment Of Successor Trustee recorded as Instrument No. 2007044840, Official Records of Canyon County, Idaho, a true and correct copy of which is attached hereto as Exhibit D.

10. On August 7, 2007, ParkWest filed a Verified Complaint To Foreclose Lien against Barnson and MERS, commencing the above-captioned action. Neither Transnation nor First American was ever named as a Defendant in this action.

11. On July 20, 2009, First American conveyed the Property to Residential via the Trustee's Deed, a true and correct copy of which is attached hereto as Exhibit A.

**V.
CLAIMS FOR RELIEF**

COUNT I - DECLARATORY JUDGMENT

12. An actual controversy has arisen and now exists between Residential and ParkWest concerning their rights to the Property. Residential contends that Residential took clean title to the Property via the Trustee's Deed, that ParkWest's failure to name Transnation and First American as Defendants in this action within six months of filing the Lien means that ParkWest's Lien is void as to Transnation, First American, and Residential under Idaho Code section 45-510, and that ParkWest has no right, title or interest in the Property. ParkWest contends that it is entitled to some right, title, estate, lien, encumbrance, or interest in the Property free and clear of Residential's interest in the Property.

13. A judicial determination is necessary and appropriate at this time in order that ParkWest and Residential may ascertain their rights and duties with regard to the Property, and because no other plain, speedy or adequate remedy exists by which the rights and duties of the parties may be determined.

COUNT II - ATTORNEYS' FEES

14. As a result of the foregoing, Residential has been required to retain the law firm of Hawley Troxell Ennis & Hawley, LLP to bring this action and protect Residential's rights. In connection with this action, Residential has incurred and will continue to incur costs, attorneys' fees and expenses.

**VI.
PRAYER FOR RELIEF**

WHEREFORE, Residential prays for judgment against ParkWest as follows:

1. For a judicial decree that Residential owns the Property free and clear of any claim of ParkWest;
2. For a judicial decree that ParkWest has no right, title, estate, lien, encumbrance, or interest in the Property;
3. For all costs and attorneys' fees incurred; and
4. For such other and further relief as the Court deems just and proper.

DATED THIS 12th day of ~~October~~^{November}, 2010.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By 

Ryan T. McFarland ISB No. 7347
Attorneys for Defendant Mortgage Electronic
Registration Systems, Inc. and
Defendant/Intervenor Residential Funding Real
Estate Holdings, LLC

CERTIFICATE OF SERVICE

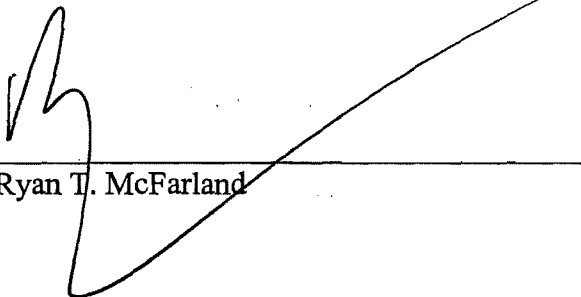
I HEREBY CERTIFY that on this 12th day of ~~October~~ ^{November}, 2010, I caused to be served a true copy of the foregoing ANSWER AND COUNTERCLAIM IN INTERVENTION by the method indicated below, and addressed to each of the following:

Robert B. Burns
MOFFATT, THOMAS, BARRETT, ROCK
& FIELDS, CHARTERED
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701
[Attorneys for Plaintiff]

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ E-mail
☐ Telecopy

David E. Wishney
Attorney at Law
300 W. Myrtle Street, Suite 200
P.O. Box 837
Boise, ID 83701-0837
[Attorney for Defendant Julie G. Barnson]

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ E-mail
☐ Telecopy



Ryan T. McFarland

200808245
Recording Requested By:

And When Recorded Mail To:
Executive Trustee Services, LLC
2255 North Ontario Street, Suite 400
Burbank, California 91504-3120

Loan No.: 7471476101
T.S. No.: ID-167373-C
APN: R37214103 0

PIONEER TITLE COMPANY
REQUEST
TYPE Doc Fee 0.00

WILLIAM H. HURST
CANYON CNTY RECORDER
BY *Ma. Brown*

2009 JUL 20 PM 1 57

RECORDED

2009036841

TRUSTEE'S DEED

FIRST AMERICAN TITLE INSURANCE COMPANY (herein called Trustee) as Successor Trustee under the Deed of Trust hereinafter particularly described, does hereby Bargain, Sell and Convey, without warranty, to RESIDENTIAL FUNDING REAL ESTATE HOLDINGS, LLC, herein called Grantee whose current address is: c/o GMAC Mortgage Corporation, 500 Enterprise Road, Suite 150, Horsham, PA 19044 all of the real property situated in the County of Canyon, state of Idaho described as follows:

LOT 4 IN BLOCK 1 OF RIVERBEND SUBDIVISION, CANYON COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK 34 OF PLATS, AT PAGE 2, RECORDS OF SAID COUNTY.

This conveyance is made pursuant to the powers conferred upon Trustee by the Deed of Trust between JULIE G. BARNSON, AN UNMARRIED WOMAN, as Grantor, and TRANSNATION TITLE, as Trustee, and MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., ("MERS") AS NOMINEE FOR HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.), as Beneficiary, dated 11/10/2006, recorded 11/14/2006, as instrument No. 200690998, Book Page , and re-recorded , mortgage records of Canyon County, Idaho, and after the fulfillment of the conditions specified in said Deed of Trust authorizing this conveyance as follows:

(1). Default occurred in the obligations for which such deed of trust was given as security and the beneficiary made demand upon the said trustee to sell property pursuant to the terms of said deed of trust. Notice of Default was recorded 2/26/2009, as Instrument No. 2009-009415, Book , Page , mortgage records of Canyon County, Idaho and in the office of each County in which the property described in said deed of trust, or any part thereof, is situated, the nature of such default being as set forth in said Notice of Default. Such default still existed at the time of sale.

(2). After recording of said Notice of Default, trustee gave notice of the time and place of the sale of said property by registered or certified mail, by personal service upon the occupants of said premises and by publishing in a conspicuous place on said premises and by publishing in a newspaper of general circulation in each of the counties in which the property is situated as more fully appears in affidavits recorded at least 20 days prior to the date of sale as Instrument No. 2009029759, Instrument No. 2009029760, and Instrument No. 2009029761 Mortgage records of Canyon County, Idaho.

Exhibit A

**Answer and
Counterclaim in
Intervention**

ID-167373-C
7471476101

(3). The provisions, recitals and contents of the Notice of Default referred to in paragraph (1) supra and of the Affidavits referred to in paragraph (2) supra shall be and they are hereby incorporated herein and made an integral part hereof for all purposes as though set forth herein at length.

(4). All requirements of law regarding the mailing, personal service, posting, publication and recording of the notice of default, and Notice of Sale and for all other notices have been complied with.

(5). Not less than 120 days elapsed between the giving of Notice of Sale by registered or certified mail and the sale of the property.

(6). Trustee, at the time and place of sale fixed by said Notice, at public auction, in one parcel, struck off to Grantee, being the highest bidder thereof, the property herein described for the sum of \$199,556.36, subject however to all prior liens and encumbrances. No person or corporation offered to take any part of said property less than the whole thereof for the amount of principal, interest, and advanced costs.

Dated: 7/9/2009

FIRST AMERICAN TITLE INSURANCE COMPANY

MARIA DELATORRE, ASST SEC

State of CA) ss.
County of Orange)

On 7/16/09 before me, Laura A. Kennedy, a Notary Public personally appeared, MARIA DE LA TORRE who proved to me on the basis of satisfactory evidence to the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SIGNATURE ✓



200690398

RECORDED

NOV 14 PM 4 23

CANCELLED
BY *CH*

TRANSACTION TITLE

REQUEST
TYPE *MCA* FEE *69.00*
5 of 4

Return To: Homecomings Financial
One Meridian Crossing, Ste. 100
Minneapolis MN 55423
Loan Number: 047-147610-1

1st

Prepared By: Homecomings Financial
1687 114th Ave. SE, Suite 100
Bellevue, WA 98004

111 22 12

0100051560 CGC

[Space Above This Line For Recording Data]

DEED OF TRUST

MIN 100062604714761014

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated NOVEMBER 10TH, 2006 together with all Riders to this document.

(B) "Borrower" is
JULIE G. BARNSON, AN UNMARRIED WOMAN

Borrower is the trustor under this Security Instrument.

(C) "Lender" is HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

Lender is a LIMITED LIABILITY COMPANY organized and existing under the laws of DELAWARE

IDAHO-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT WITH MERS
MFID7770 (09/2006) / 047-147610-1

Form 3013 1/01

VMP -BA(ID) (0509)

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Initials: *B*

VMP Mortgage Solutions, Inc.



Exhibit B

Answer and
Counterclaim in
Intervention

Lender's address is 1687 114TH AVE., SE, SUITE 100
BELLEVUE, WA 98004

(D) "Trustee" is TRANSNATION TITLE

(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated NOVEMBER 10TH, 2006. The Note states that Borrower owes Lender THREE HUNDRED THIRTY SEVEN THOUSAND SIX HUNDRED AND NO/100 Dollars

(U.S. \$ 337,600.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than DECEMBER 1ST, 2036.

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input checked="" type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

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(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the COUNTY [Type of Recording Jurisdiction] of CANYON [Name of Recording Jurisdiction]:

LOT 8 IN BLOCK 1 OF RIVERBEND SUBDIVISION, CANYON COUNTY, IDAHO,
ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK 34 OF PLATS, AT
PAGE 2, RECORDS OF SAID COUNTY.

Parcel ID Number: 6R074790010040
28123 SILO WAY
WILDER
("Property Address"):

which currently has the address of
[Street]
[City], Idaho 83676 [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, but not limited to, the right to foreclosure and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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VMD -BA(IID) (0509)

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Form 3013 1/01

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. **Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to

be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. **Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. **Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

18. **Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. **Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. **Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA

requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold, and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law.

24. Substitute Trustee. Lender may, for any reason or cause, from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. Area and Location of Property. Either the Property is not more than 40 acres in area or the Property is located within an incorporated city or village.

MFID7770 (09/2006) / 047-147610-1

WMB-6A(1D) (0609)

Page 13 of 18

Initials: 

Form 3013 1/01

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Julie G. Barnson (Seal)
-Borrower

JULIE G. BARNSON

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

STATE OF IDAHO,

ADA

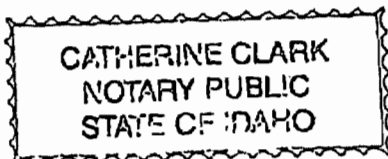
County ss:

On this 13 day of November
Catherine Clark
a Notary Public in and for said county and state, personally appeared
JULIE G. BARNSON, ~~AN UNMARRIED WOMAN~~

2006, before me,

known or proved to me to be the person(s) who executed the foregoing instrument, and acknowledged to me that he/she/they executed the same.

In witness whereof I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.




Notary Public residing at:

Commission Expires 10-5-07
Residing in Eagle, Idaho

ADJUSTABLE RATE RIDER

Payment Option

THIS ADJUSTABLE RATE RIDER is made this 10TH day of NOVEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

("Lender") of the same date and covering the property described in the Security Instrument and located at:

28123 SILO WAY
WILDER, ID 83676

[Property Address]

THE NOTE CONTAINS PROVISIONS THAT WILL CHANGE THE INTEREST RATE AND THE MONTHLY PAYMENT. THERE MAY BE A LIMIT ON THE AMOUNT THAT THE MONTHLY PAYMENT CAN INCREASE OR DECREASE. THE PRINCIPAL AMOUNT TO REPAY COULD BE GREATER THAN THE AMOUNT ORIGINALLY BORROWED, BUT NOT MORE THAN THE LIMIT STATED IN THE NOTE.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

Lender or anyone who takes the Note by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for changes in the interest rate and the monthly payments, as follows:

2. INTEREST

(A) Interest Rate

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will initially pay interest at a yearly rate of 1.0000 %. The interest rate I will pay may change.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 7(B) of the Note.

(B) Interest Rate Change Dates

The interest rate I will pay may change on the first day of JANUARY, 2007 and on that day every month thereafter. Each date on which my interest rate could change is

PAYMENT OPTION MULTISTATE ADJUSTABLE RATE RIDER 10/05

Page 1 of 6

Initials: 

7754105 (0402).02
MFC08262 (08/2006) / 047-147610-1

VMP Mortgage Solutions, Inc.

called an "Interest Rate Change Date." The new rate of interest will become effective on each Interest Rate Change Date. Although the interest rate may change monthly, my monthly payment will be recalculated in accordance with Section 3.

(C) Interest Rate Limit

My interest rate will never be greater than 9.9500 %.

(D) Index

Beginning with the first Interest Rate Change Date, my adjustable interest rate will be based on an Index. The "Index" is the "Twelve-Month Average" of the annual yields on actively traded United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in the Federal Reserve Statistical Release entitled "Selected Interest Rates (h.15)" (the "Monthly Yields"). The Twelve Month Average is determined by adding together the Monthly Yields for the most recently available twelve months and dividing by 12. The most recent Index figure available as of the date 15 days before each Interest Rate Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(E) Calculation of Interest Rate Changes

Before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by adding THREE AND ONE FOURTH percentage point(s) (3.2500 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limit stated in Section 2(C) above, the result of this addition will be my new interest rate until the next Interest Rate Change Date.

3. PAYMENTS

(A) Time and Place of Payments

I will make a payment every month.

I will make my monthly payments on the first day of each month beginning on JANUARY 1ST, 2007 . I will make these payments every month until I have paid all the Principal and Interest and any other charges that I may owe under the Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on DECEMBER 1ST, 2036 , I still owe amounts under the Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

Initials: 

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MFCD8262 108/2008 / 047-147810-1

Page 2 of 6

I will make my monthly payments at 1687 114TH AVE., SE, SUITE 100,
BELLEVUE, WA 98004
or at a different place if required by the Note Holder.

(B) Minimum Payment; Amount of My Initial Monthly Payments

My "Minimum Payment" is the minimum amount the Note Holder will accept for my monthly payment, which the Note Holder will determine in accordance with this Section 3(B), or Section 3(D), 3(F) or 3(G), below, as applicable.

Each of my initial Minimum Payments will be in the amount of U.S.
\$ 1,085.86, until a new Minimum Payment is required as provided below.

(C) Payment Change Dates

My Minimum Payment may change as required by Section 3(D) below beginning on the first day of JANUARY, 2008, and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My Minimum Payment also will change at any time Section 3(F) or 3(G) below requires me to pay a different amount.

I will pay at least the amount of my new Minimum Payment each month beginning on each Payment Change Date or as provided in Section 3(F) or 3(G) below.

(D) Calculation of Monthly Payment Changes

Before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Payment Change Date in full on the Maturity Date in substantially equal installments at the interest rate effective during the month preceding the Payment Change Date. The result of this calculation is called the "Full Payment."

Unless Section 3(F) or 3(G) below requires me to pay a different amount, my new Minimum Payment that will be effective on a Payment Change Date will be in the amount of the Full Payment, except that my new Minimum Payment will be limited to an amount that will not be more than 7.5% greater than the amount of my last Minimum Payment due before the Payment Change Date (this limitation is called the "Payment Change Cap"). The Payment Change Cap applies only to the Principal and interest payment and does not apply to any escrow payments the Note Holder may require under the Security Instrument.

(E) Additions to My Unpaid Principal

My monthly payment could be less than or greater than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid Principal I owe at the monthly payment date in full on the Maturity Date in substantially equal payments. For each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid Principal. The Note Holder also will add interest on the amount of this difference to my unpaid Principal each month. The interest rate on the interest added to Principal will be the rate required by Section 2 above. For each month that my monthly payment is greater than the interest portion, the Note Holder will apply the payment as provided in Section 3(A).

Initials: 

(F) Limit on My Unpaid Principal; Increased Monthly Payment

My unpaid Principal may never exceed a maximum amount equal to 115% of the Principal amount I originally borrowed. Because of my paying only limited monthly payments, the addition of unpaid interest to my unpaid Principal under Section 3(E) above could cause my unpaid Principal to exceed that maximum amount when interest rates increase. In that event, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment in an amount that would be sufficient to repay my then unpaid Principal in full on the Maturity Date in substantially equal installments at the interest rate effective during the preceding month, regardless of the Payment Change Cap. This amount will be my new Minimum Payment. This means that my Minimum Payment may change more frequently than annually. This new Minimum Payment amount will remain in effect until at least the next regular Payment Change Date, unless another recalculation of my Minimum Payment is required by this Section prior to such Payment Change Date.

(G) Required Full Payment

Regardless of the Payment Change Cap, on the TENTH Payment Change Date and on each succeeding fifth Payment Change Date thereafter, I will begin paying the Full Payment as my Minimum Payment until my monthly payment changes again. I also will begin paying at least the Full Payment as my Minimum Payment on the final Payment Change Date.

(H) Payment Options

After the first Interest Rate Change Date, each month the Note Holder may provide me with up to three additional payment options (in addition to the Minimum Payment) that are greater than the Minimum Payment, which are called "Payment Options." I may be given the following Payment Options:

- (i) **Interest Only Payment:** the amount that would pay the interest portion of the monthly payment at the current interest rate. The Principal balance will not be decreased by this Payment Option.
- (ii) **Fully Amortized Payment:** the amount necessary to pay the loan off (including all Principal and interest) at the Maturity Date in substantially equal installments. This Payment Option is calculated on the assumption that the current interest rate will remain in effect until the loan is paid in full, however, the current interest rate may in fact change every month.
- (iii) **15 Year Amortized Payment:** the amount necessary to pay the loan off (including all Principal and interest) within a fifteen (15) year period from the first payment due date in substantially equal installments. This Payment Option is calculated on the assumption that the current rate will remain in effect until the loan is paid in full, however, the current interest rate may in fact change every month.

Payment Options will only be available if they are greater than the Minimum Payment.

(I) Failure to Make Adjustments

If for any reason the Note Holder fails to make an adjustment to the interest rate or payment amount as described herein, regardless of any notice requirement, I agree the Note Holder may, upon discovery of such failure, then make the adjustment as if they had been made on time. I also agree not to hold the Note Holder responsible for any damages to me

Initials: 

that may result from the Note Holder's failure to make the adjustment and to let the Note Holder, at its option, apply any excess monies that I may have paid to partial Prepayment of unpaid Principal.

4. NOTICE OF CHANGES

The Note Holder will deliver or mail to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 18 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

Initials: 

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

Julie G. Barnson (Seal)
-Borrower
JULIE G. BARNSON

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

SECOND HOME RIDER

THIS SECOND HOME RIDER is made this 10TH day of NOVEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower" whether there are one or more persons undersigned) to secure Borrower's Note to
HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

(the "Lender") of the same date and covering the Property described in the Security Instrument (the "Property"), which is located at:
28123 SILO WAY
WILDER, ID 83676

[Property Address]

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Sections 6 and 8 of the Security Instrument are deleted and are replaced by the following:

6. **Occupancy.** Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's second home.

MULTISTATE SECOND HOME RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT MFCD8056 - (08/2006) / 047-147610-1

Form 3890 1/01

Page 1 of 2

Initials: 

VMP-365R (0411)

VMP Mortgage Solutions, Inc. (800)521-7291



BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Second Home Rider.

Julie G. Barnson (Seal)
-Borrower
JULIE G. BARNSON

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

When Recorded Return To:
Homecomings Financial
One Meridian Crossing, Ste. 100
Minneapolis MN 55423

0600057560000

TRANSACTION TITLE

CANYON
WILDER
P. CHAMBER

NOV 14 PM 4 20

RECORDED

200690999

2nd

State of Idaho

Space Above This Line For Recording Data

DEED OF TRUST
(With Future Advance Clause)

MIN: 100062604715889624

1. **DATE AND PARTIES.** The date of this Deed of Trust (Security Instrument) is NOVEMBER 10TH, 2006 and the parties, their addresses and tax identification numbers, if required, are as follows:

GRANTOR: JULIE G. BARNSON, AN UNMARRIED WOMAN

☐ If checked, refer to the attached Addendum incorporated herein, for additional Grantors, their signatures and acknowledgments.

TRUSTEE: TRANSNATION TITLE
701 SOUTH ALLEN ST. # 108
MERIDIAN, ID 83642

LENDER: HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)
1687 114TH AVE., SE, SUITE 100
BELLEVUE, WA 98004

"MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

2. **CONVEYANCE.** The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Grantor's performance under this Security Instrument, Grantor irrevocably grants, bargains, sells and conveys to Trustee, in trust for the benefit of Lender, with power of sale, the following described property: LOT 4 IN BLOCK 1 OF RIVERBEND SUBDIVISION, CANYON COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK 34 OF PLATS, AT PAGE 2, RECORDS OF SAID COUNTY.

The property is located in CANYON at 28123 SILCO WAY
(County)
WILDER Idaho 83676
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property"). Grantor understands and agrees that MERS holds only legal title to the interests granted by Grantor in this Security Instrument; but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property, and to take any action required of Lender, including but not limited to, releasing and canceling this Security Instrument.

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 42,200.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.
4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:
A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)
Borrower(s) Promissory Note to Lender dated NOVEMBER 10TH, 2006 in the principal sum of U.S. \$ 42,200.00 with interest thereon, providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid, due and payable on DECEMBER 1ST, 2021

IDAHO - DEED OF TRUST (NOT FOR FHMA, FHLBC, FHA OR VA USE)

Exhibit C © 1994 Bankers Systems, Inc., St. Cloud, MN Form RFC-DEED-10 1/14/2002

MF07095 (5/02) / 047-158896-2

(page 1 of 4)

Exhibit C

**Answer and
Counterclaim in
Intervention**

- B. All future advances from Lender to Grantor or other future obligations of Grantor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Grantor in favor of Lender after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Grantor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Grantor, or any one or more Grantor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Grantor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Grantor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

5. **PAYMENTS.** Grantor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument. If any note evidencing the Secured Debt contains a variable rate feature, Grantor acknowledges that the interest rate, payment terms, or balance due on the loan may be indexed, adjusted, renewed or renegotiated.
6. **WARRANTY OF TITLE.** Grantor warrants that Grantor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, bargain, sell and convey the Property to Trustee, in trust, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.
7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Grantor agrees:
- To make all payments when due and to perform or comply with all covenants.
 - To promptly deliver to Lender any notices that Grantor receives from the holder.
 - Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
8. **CLAIMS AGAINST TITLE.** Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.
9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor shall not commit or allow any waste, impairment, or deterioration of the Property. Grantor will keep the Property free of noxious weeds and grasses. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Grantor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor, and of any loss or damage to the Property. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Grantor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection.
11. **AUTHORITY TO PERFORM.** If Grantor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. Lender's right to perform for Grantor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.
12. **ASSIGNMENT OF LEASES AND RENTS.** Grantor irrevocably grants, bargains, sells and conveys to Trustee, in trust for the benefit of Lender, as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Grantor will promptly provide Lender with true and correct copies of all existing and future Leases. Grantor may collect, receive, enjoy and use the Rents so long as Grantor is not in default under the terms of this Security Instrument. Grantor agrees that this assignment is immediately effective between the parties to this Security Instrument. Grantor agrees that this assignment is effective as to third parties on Grantor's default when Lender or Trustee takes affirmative action prescribed by law in the State of Idaho. Unless otherwise prohibited or prescribed by state law, Grantor agrees that Lender or Trustee may take actual possession of the property without the necessity of commencing any legal action or proceeding and Grantor agrees that actual possession is deemed to occur when Lender, or its agent, notifies Grantor of default and demands that Grantor and Grantor's tenants pay all Rents due and to become due directly to Lender. Immediately after Lender gives Grantor the notice of default, Grantor agrees that either Lender or Grantor may immediately notify the tenants and demand that all future Rents be paid directly to Lender. On receiving notice of default, Grantor will endorse and deliver to Lender any payment of Rents in Grantor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Grantor warrants that no default exists under the Leases or any applicable landlord/tenant law. Grantor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.
13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Grantor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Grantor will perform all of Grantor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
14. **DEFAULT.** Grantor will be in default if any party obligated on the Secured Debt fails to make payment when due. Grantor will also be in default if the prospect of payment, performance, or realization of collateral is significantly impaired.
15. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Grantor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Grantor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime

thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents, including without limitation, the power to sell the Property.

If there is a default, Trustee shall, in addition to any other permitted remedy, at the request of the Lender, advertise and sell the Property as a whole or in separate parcels at public auction to the highest bidder for cash and convey absolute title free and clear of all right, title and interest of Grantor at such time and place as Trustee designates. Trustee shall give notice of sale including the time, terms and place of sale and a description of the property to be sold as required by the applicable law in effect at the time of the proposed sale.

Upon sale of the property and to the extent not prohibited by law, Trustee shall make and deliver a deed to the Property sold which conveys absolute title to the purchaser, and after first paying all fees, charges and costs, shall pay to Lender all moneys advanced for repairs, taxes, insurance, liens, assessments and prior encumbrances and interest thereon, and the principal and interest on the Secured Debt, paying the surplus, if any, to Grantor. Lender may purchase the Property. The recitals in any deed of conveyance shall be prima facie evidence of the facts set forth therein.

All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Grantor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Grantor agrees to pay all of Lender's expenses if Grantor breaches any covenant in this Security Instrument. Grantor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Grantor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This amount does not include attorneys' fees for a salaried employee of the Lender. This Security Instrument shall remain in effect until released. Grantor agrees to pay for any recordation costs of such release.

17. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Grantor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
- B. Except as previously disclosed and acknowledged in writing to Lender, Grantor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
- C. Grantor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Grantor shall take all necessary remedial action in accordance with any Environmental Law.
- D. Grantor shall immediately notify Lender in writing as soon as Grantor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
18. **CONDEMNATION.** Grantor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Grantor authorizes Lender to intervene in Grantor's name in any of the above described actions or claims. Grantor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
19. **INSURANCE.** Grantor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding sentence can change during the term of the loan. The insurance carrier providing the insurance shall be chosen by Grantor subject to Lender's approval, which shall not be unreasonably withheld. If Grantor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument. All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Grantor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Grantor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Grantor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Grantor. Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Grantor. If the Property is acquired by Lender, Grantor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.
20. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Grantor will not be required to pay to Lender funds for taxes and insurance in escrow.
21. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Grantor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Grantor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Security Instrument and Lender's lien status on the Property.
22. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Grantor signs this Security Instrument but does not sign an evidence of debt, Grantor does so only to mortgage Grantor's interest in the Property to secure payment of the Secured Debt and Grantor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Grantor, Grantor agrees to waive any rights that may prevent Lender from bringing any action or claim against Grantor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Grantor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Grantor's consent. Such a change will not release Grantor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Grantor and Lender.

23. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
24. **SUCCESSOR TRUSTEE.** Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee without any other formality than the designation in writing. The successor trustee, without conveyance of the Property, shall succeed to all the title, power and duties conferred upon Trustee by this Security Instrument and applicable law.
25. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one grantor will be deemed to be notice to all grantors.
26. **WAIVERS.** Except to the extent prohibited by law, Grantor waives all rights to homestead exemption, appraisal and the marshalling of liens and assets relating to the Property.
27. **DECLARATION.** Grantor declares that the Property is either not more than forty acres in area or that the Property is located within an incorporated city or village.
28. **OTHER TERMS.** If checked, the following are applicable to this Security Instrument:

- ☐ **Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
- ☐ **Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
- ☐ **Fixture Filing.** Grantor grants to Lender a security interest in all goods that Grantor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
- ☒ **Riders.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. (Check all applicable boxes)
- ☐ Condominium Rider ☐ Planned Unit Development Rider ☐ Other
- ☐ Additional Terms.

SIGNATURES: By signing below, Grantor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Grantor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Julie G. Barnson 11-13-06
(Signature) JULIE G. BARNSON (Date) (Signature) (Date)

ACKNOWLEDGMENT:

STATE OF IDA COUNTY OF ADA ss.
On this 13 day of November, 2006, before me, a Notary Public, personally appeared
Julie G. Barnson
(Individual) known or identified to me (or proved to me on the oath of, to be the person(s) whose name is subscribed to the within instrument, and acknowledged to me that she/he/they executed the same.

My commission expires:

CATHERINE CLARK
NOTARY PUBLIC
STATE OF IDAHO

(Notary Public)
Commission Expires 10-5-07
Residing in Eagle, Idaho

REQUEST FOR RECONVEYANCE

(Not to be completed until paid in full)

TO TRUSTEE:

The undersigned is the holder of the note or notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel this Deed of Trust, which is delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

(Authorized Bank Signature)

Date

SECOND HOME RIDER

THIS SECOND HOME RIDER is made this 10TH day of NOVEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower" whether there are one or more persons undersigned) to secure Borrower's Note to
HOMECOMINGS FINANCIAL, LLC (F/K/A HOMECOMINGS FINANCIAL NETWORK, INC.)

(the "Lender") of the same date and covering the Property described in the Security Instrument (the "Property"), which is located at:
28123 SILO WAY
WILDER, ID 83676

[Property Address]

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Sections 6 and 8 of the Security Instrument are deleted and are replaced by the following:

6. **Occupancy.** Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's second home.

MULTISTATE SECOND HOME RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT MFCD8056 - (08/2006) / 047-158896-2

Form 3890 1/01

Page 1 of 2

Initials: *GB*

VMP-365R (0411)

VMP Mortgage Solutions, Inc. (800)521-7291



2007044840

RECORDED

2007 JUN 28 PM 1 56

WILLIAM H. HURST
CANYON CNTY RECORDER

PIONEER TITLE COMPANY

REQUEST
TYPE IN MORTGAGE FEE 3

When Recorded Mail to:

EXECUTIVE TRUSTEE SERVICES, LLC.
15455 SAN FERNANDO MISSION BLVD
SUITE #208
MISSION HILLS, CA 91345

2007044840

Space Above This Line For Recorder's Use

T.S. No. HC-105738-C

Loan No. 7471476101

APPOINTMENT OF SUCCESSOR TRUSTEE

KNOW ALL MEN BY THESE PRESENTS:

Are the grantor(s) JULIE G. BARNSON, AN UNMARRIED WOMAN and TRANSNATION TITLE is the trustee, and "MERS" MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., SOLELY AS NOMINEE FOR LENDER HOMECOMINGS FINANCIAL, LLC (FKA HOMECOMINGS FINANCIAL NETWORK, INC.) is the beneficiary under that certain Deed of Trust dated 11/10/2006, and recorded on 11/14/2006, Book , Page , as Instrument No. 200690998, and re-recorded , records of Canyon County, Idaho.

The undersigned, who is the present beneficiary under said Deed of Trust desires to appoint a new trustee in the place and instead of the original trustee named above;

NOW, THEREFORE, in view of the premises, the undersigned hereby appoints **FIRST AMERICAN TITLE INSURANCE COMPANY** c/o Executive Trustee Services, Inc. 15455 San Fernando Mission Blvd., Suite 208 Mission Hills, Ca 91345, as successor trustee under said Deed of Trust, to have all the powers of said original trustee, effective forthwith.

IN WITNESS WHEREOF, the undersigned beneficiary has hereunto set his hand; if the undersigned is a corporation, it has caused its corporate name to be signed and affixed hereunto by its duly authorized officer(s).

Dated: June 26, 2007

MORTGAGE ELECTRONIC REGISTRATION SYSTEM, INC.


ELIZABETH YERANOSIAN, ASSISTANT SECRETARY

State of California
County of Los Angeles

}SS

On 6/26/2007 before me, the undersigned, Dee C. Ortega a Notary Public in and for said State, personally appeared Elizabeth Yeranosian personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed and sworn to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Dee C. Ortega

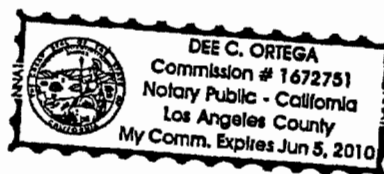


Exhibit D

**Answer and
Counterclaim in
Intervention**